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CANADA

# Debates of the Senate

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OFFICIAL REPORT  
(HANSARD)

**Tuesday, February 2, 1999**



THE HONOURABLE GILDAS L. MOLGAT  
SPEAKER

This issue contains the latest listing of Officers of the Senate, the Ministry,  
Senators and Members of the Senate and Joint Committees.



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## THE SENATE

Tuesday, February 2, 1999

The Senate met at 2:00 p.m., the Speaker in the Chair.

Prayers.

### THE LATE HONOURABLE PETER BOSA

#### TRIBUTES

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, when the young Peter Bosa arrived in this country in 1948, he was one of a torrent of immigrants from war-torn Europe. He had seen all the horrors of war and experienced all the heady hope of liberation as Canadian, British and American forces liberated his country from the stranglehold of fascism. In fact, he had learned a little English working as a waiter on a RAF base in northeast Italy.

A native of the Friuli Region, he could not have foreseen at the time that three decades later, as a newly appointed Canadian senator, he would help raise over \$4 million in the aid of survivors of a devastating earthquake which struck the same streets and communities he had walked as a boy.

When he arrived in Canada at the age of 20, Peter Bosa began a new life working for his father in his clothing shop as an apprentice cutter. Caught up in the spirit of a thriving post-war Toronto, and as his own career developed as an insurance executive, with pure determination, tireless energy, and a passionate heart, all the exceptional qualities of an exceptional man, he became a voice for his Italian community and an indefatigable advocate for a multicultural Canada, a Canada for which his passion and commitment was unconditional.

Two weeks before Christmas 1998, Senator Peter Bosa died after a very courageous and lengthy fight against cancer. Peter was an example to all of us with his spirit, fortitude and quiet, relentless determination. When he died, we all shared in his family's grief, as we reflected upon the career of our warm-hearted and wonderful friend and colleague, a man for whom no contribution was ever too great, a man for whom no contribution was ever too much.

•(1410)

It has been said that when, at some future time, the high court of history sits in judgment on many of us — recording our service and sense of responsibility to our community and our country, recording our success or failure in whatever walk of life we have chosen. It has been said that the measurement of our human worth will be found in the answers to questions about the values according to which we all chose to live: questions about courage and judgment, questions about compassion and integrity, and questions about dedication and honour.

To all those who had the privilege of serving with Senator Peter Bosa; to all those who had the privilege to be his friend; to

all those of the Italian-Canadian community for whom he worked tirelessly; for all the cultures whose deep, historic roots he so constantly defended, whether it was as Chairman of the Canadian Consultative Council on Multiculturalism or as co-founder of the Chair in Canadian-Italian Studies at York University; whether it was as alderman in his beloved City of York or here in the Senate of Canada, yes, the answers coming from all the high court of history would be resounding in their praise, because Senator Bosa's life contribution to people and community and country was all about the real things in life: It was about integrity and honour; it was about love and dedication; it was about courage, compassion, equity and commitment.

Wherever he travelled, he brought those values with him, most particularly in his capacity as President of the Inter-Parliamentary Union, a position which he understood to be yet another important step in the evolution of human understanding in our world; a position which he used to actively spearhead the fight for a total ban on landmines, among others; a position for which he was honoured by Juan Carlos, King of Spain.

Throughout his distinguished career in this chamber, Senator Peter Bosa always understood that our strength was our diversity, and that our continuing unity was a story about tolerance, peace and cooperation. He dedicated much of his life to dream about a federation which would become a model to the world; of a harmonious whole, a peaceable nation which would always be much more than just the sum of its parts; a great nation where openness of minds and openness of hearts would be as natural as the air that we breathe.

Honourable senators, this was the spirit Senator Bosa brought to this chamber over the years, years in which he served as government deputy whip and participated actively on so many committees, such as the Official Languages Policy and Programs Committee, Legal and Constitutional Affairs, Banking Trade and Commerce, Foreign Affairs, as well as taking on the Vice-Chair of the Social Affairs, Science and Technology Committee. This is the spirit and the contribution that honourable senators are honouring today and that we will surely miss in the future.

In spite of his success, Peter remained a man who understood that happiness was found in the beauty of nature, in the simple pleasure of growing Italian greens in his garden, and in the lifetime joy that he took in making his own wine.

All the great writers have written about happiness, but I think Senator Bosa would have well understood the beautiful simplicity of Psalms 65:12 wherein it is written:

...the little hills rejoice on every side. The pastures are clothed with flocks; the valleys also are covered over with corn; they shout for joy, they also sing.



We will always think of you there, Peter, in a place where the gardens are green and the sun is golden, where the valleys shout for joy; a place where suffering is forgotten and the little hills rejoice on every side.

Those of us who had the privilege of attending Senator Bosa's funeral saw firsthand the love and the high regard in which he was held, not only by his family and friends but also by the wider community, and by the numbers from outside of Canada who came to pay their respects.

To your wonderful wife, Teresa, your children Angela and Mark, and your extended family, we extend our expression of deepest sympathy. Rest in peace, dear friend.

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, in rising to pay tribute to our late colleague and friend Senator Peter Bosa, we salute the journey of a man whom we were privileged to have as a colleague and a friend. We were the beneficiaries when his life's pilgrimage brought him to Canada and to this house of Parliament. His map was marked by many milestones, whether in community activities, municipal politics, social affairs and the nation's business. His faith in the dignity and value of the human person served as a pilgrim's staff, a pilot's compass and a soldier's sword.

I will remember Peter as a fine senator, a man of great sensitivity, a man of great judgment and a man of great goodwill. It was these characteristics which ruled his heart and guided his feet.

One never had to guess about Senator Bosa's political loyalties. However, he did stand out as a member of this chamber who preferred the bipartisan work which has yielded so many great achievements of this institution. The committee work of this chamber, in particular, was enriched by Senator Bosa's assiduous participation. Special mention has already been made by the Leader of the Government, which we underscore, namely, of Senator Bosa's leadership on social issues.

A proud Canadian, this native son of Friuli, Italy, has left his personal mark on the huge success which Canadian society has achieved in building a great multicultural and metropolitan nation. We thank this thoughtful and gentle Canadian for his friendship and his guidance. Parliament, and Canada, is a better place because he shared part of his life's journey with us.

Honourable senators, with your permission, I would like to say in a very personal way to members of Senator Bosa's family the following:

[Translation]

*(Editor's note: Senator continued in Italian — Translation follows.)*

Honourable senators, for all of us who represent the Senate of Canada, Pietro was not just a dependable and loyal colleague, but also and above all a friend with a ready ear.

It was with great sadness that we learned of his decline in these recent difficult months, and we extend our sympathies to his family at this time of sorrow.

It is true that the grandfather, the father, the husband is no more, but I am sure there is comfort in the knowledge that he is now truly at rest. It is a rest without care or worry, the deep and peaceful rest of the just.

Thank you, Pietro, for the time you spent with us...

[English]

Peter, whom we knew as a man of goodwill and peace, may you now rest in the peace and security of the arms of Abraham.

[Translation]

**Hon. Marcel Prud'homme:** Honourable senators, it is obvious how fond we were of Senator Bosa. I have lost a personal friend. I met him in 1964 when I arrived here as the MP for Montreal—Saint-Denis, taking the place of Azellus Denis, who was to become a senator. I of course experienced a great deal of difficulty in understanding the problems of multiculturalism and immigration.

One of the proud moments in the life of Peter Bosa was when he spoke to us of his role as special assistant to the Minister of Citizenship and Immigration, the late, and most sorely missed I would add, Guy Favreau, who had given up his law practice at a point when he would have become a Supreme Court justice, at the request of Lester B. Pearson, to serve Canada as Leader of the Quebec Liberals in the House of Commons. The Honourable Peter Bosa was his special assistant.

Peter Bosa guided me through the bureaucratic mazes of immigration. I am grateful for his assistance in my early days in the House of Commons. After that, our paths took different directions.

He became the second senator of Italian origin appointed by the Right Honourable Pierre Elliott Trudeau, after the late Pietro Rizzutto, who had been appointed in December 1976.

In 1967, we were both in the Liberal caucus and involved in the International Parliamentary Union. With his backing, I became president of its Canadian section. He campaigned for my presidency of the International Union's international policy commission on disarmament and political affairs, and in return I supported him as vice-president and then president of the Canadian section.

I know his family very well. I travelled with his wife, Teresa, and his son, Mark, to attend meetings of the Inter-Parliamentary Union. At one of these meetings, the 27-member delegation spent 15 days in China. Peter Bosa was tremendously helpful, because it is not easy to manage colleagues from all parties. It was an extraordinary visit. Recently, Peter, his son, and his wife and I returned to Korea. We visited South and North Korea together.



We shall miss our friend. I join with Senators Kinsella and Graham in offering our deepest condolences to Teresa, Angela and Mark, and assuring them of our friendship.

[English]

**Hon. Joyce Fairbairn:** Honourable senators, I wish to join my comments to the sentiments of others in remembering a fine senator and a superb human being, the late Honourable Peter Bosa, who died of cancer last December.

In my experience, I have not met anyone who viewed the appointment to the Senate with greater pride than the senator for York-Caboto. To him, it was a great honour. He always conducted himself with honour. In his 21 years in this place, he never wavered in his commitment as a representative of Ontario, of Toronto or of the Italian community, nor most important, as a Canadian citizen.

Peter Bosa never forgot his roots in Italy, where he often returned to offer assistance and support to his former countrymen, particularly to those in the area in which he was born. However, the utter joy he felt for his Canadian citizenship and his love of this country was an inspiration to all who knew him.

He participated in this chamber fully. My friend the Leader of the Government in the Senate mentioned the list of committees upon which Peter served. I shall remember Senator Bosa most particularly for the years of service he gave to the Standing Senate Committee on Social Affairs, Science and Technology, culminating in his service as the deputy chair. This committee led him finally to the Special Joint Committee on Child Custody and Access, which has issued its significant report in recent weeks.

On a personal note, Peter was a friend. I knew him since the early 1960s, when I was a reporter in the parliamentary press gallery and he was the special assistant to the Minister of Citizenship and Immigration, René Tremblay. Reporters did not make much money in those days and I used to hitch rides to Toronto with Peter to visit my sister. We would discuss at length the great issues of the world.

While Peter was always a staunch member of the Liberal Party of Canada, he was also a small "L" Liberal who strongly believed in the role of government and individuals to assist those who needed help most. He never forgot that. He probably never forgot it because of the tremendous pride he had in being Canadian and also the devastation that he had witnessed as a young person in his own country during the war.

Over the years, I benefited enormously from his wisdom and common sense. When I had the privilege of serving as Leader of the Government of the Senate, we on this side were in a rather profound minority position most of the time. My friends on the other side know well what a challenge that can be. With the need to have all hands on deck at any given time, the role of whip becomes particularly demanding. I was eternally grateful to Peter for the extra assistance he offered to our caucus at that time.

As we all know, he fought the battle he could not win against cancer with great courage, surrounded by a circle of strength and

love from his family and friends. I hope that they will take comfort from the knowledge that, in this place, Peter Bosa was greatly respected. He will be sadly missed and he will never be forgotten.

I join in offering his wife, Teresa, their children, Angela and Mark, and all of the family our deepest sympathy. I also extend my condolences to the Italian-Canadian community for the loss of a strong and wise voice in the Parliament of Canada.

**Hon. Mabel M. DeWare:** Honourable senators, I rise today to pay tribute to the late Honourable Peter Bosa, along with all my colleagues in the Senate. His untimely death on December 10 was a tremendous loss, not only to his loving family, but to this chamber and to Canada.

•(1430)

Indeed, it was our gain, in 1948 after the war, when Peter Bosa, then just a lad of 19, came to Canada from Italy. He became a proud Canadian who remained equally proud of his Italian heritage. He demonstrated that pride by devoting a large part of his life to community projects, charitable work and, of course, to public service. It is Canada who should be proud of him.

After working in the clothing industry and building a successful career in insurance, he turned to municipal politics and served on York City Council for seven years. He then decided to seek new horizons. In February 1977, he was appointed national chairman of the Canadian Consultative Council on Multiculturalism. In April of that year, he was summoned to the Senate.

Both in this chamber and outside it, Senator Bosa continued to be a tireless advocate of Canadian multiculturalism. He rescued this key part of the Canada identity from abstraction, expressing it in terms that all Canadians could understand and to which they could relate.

I would like to share with honourable senators an excerpt from his maiden speech which he delivered on May 26, 1977. He said:

Multiculturalism is not just for the minority groups or ethnic groups, as some people seem to think. It is for all Canadians. Under the multicultural umbrella people can see a little bit of themselves, which makes them feel part and parcel of the fabric of Canadian society. This is a tremendously powerful feeling... which instills loyalty to Canada and greater dedication to national unity.

As a result of his hard work and dedication, Senator Bosa became an institution within an institution long before my arrival here. However, I had the privilege of knowing Peter for eight of his 21 years in this chamber. For that, I will be forever grateful.

He was truly a special person. He was fair, conscientious and social minded, not to mention just plain nice. He was also a fellow golfer, which to me is always a point in someone's favour. Senator Bosa was unfailingly good-natured. He had a delightful sense of humour.



I remember chairing the Standing Senate Committee on Social Affairs, Science and Technology during its study of Bill C-41. We were involved in a bit of political manoeuvring at the time. It was a most interesting time for all of us. Senator Bosa spent more time sitting on this side of the chamber than he did on the other, trying to convince me to call the committee back. Always a gentleman, he was nice about it. My colleagues decided that they had better offer him a membership in the Progressive Conservative Party. He enjoyed a big laugh over that.

I got to enjoy his company even more when we travelled on a parliamentary committee together.

The Honourable Peter Bosa was, without a doubt, one of the finest members of this chamber, earning not only the respect but the affection of his colleagues on both sides as a hard-working senator and a caring individual.

Honourable senators, I know you will join with me in expressing our gratitude to Teresa, Angela and Mark for sharing their husband and father with us and with Canada, and in extending to them our heartfelt condolences.

**Hon. Marie-P. Poulin:** Honourable colleagues, it is with a heavy heart that I join you here today in paying homage to one of our own, a man for whom I held the highest regard and a man whose memory I will treasure as both a friend and a counsellor.

Peter Bosa personified modesty. He was a man of gentle persuasion, refinement, and integrity. He was a man of what I would call the quiet word, the gentle nod, and an attentive ear.

To happen upon Peter in the day-to-day world of this parliamentary life, I have to admit, was to find yourself enveloped by his concern and interest, a real interest in your well-being. He always focused on the other person, to ask, "How are you doing?" He was always ready with an encouraging word.

Yes, he was a gracious man of quiet dignity, a man who respected the opinions of others, even though they differed from his.

[Translation]

Honourable senators, in addition to his rich Italian heritage, what set Peter Bosa apart was his genuine interest in whomever he was with, his total involvement in issues, and his deep respect for differences.

Yes, Peter was above all a man of the people. His wife, Teresa, their children Mark and Angela, their son-in-law Tom and their grandson, Tom Jr., can be proud of the many achievements of this generous and modest man. I join with you, honourable senators, as I say today: "Au revoir cher ami, goodbye dear friend, *arrivederci caro amico*."

[English]

**Hon. Jeremiah S. Grafstein:** Honourable senators, 250 years ago, in 1744, an obscure, impoverished Italian professor, Giambattista Vico, who had written a massive work, *Scienza nuova*, or "New Science," died not far from his birthplace in Naples. Like Thoreau, he did not travel very far in

his lifetime from his birthplace to study the great ideas of the ancients. Yet his imagination, his "fantasia," as he called it, opened a new world of thought.

Many modern observers consider Vico and his masterpiece, "New Science," the foundation of modern historical analysis. Vico studied history through a particular prism. He believed that history could only be understood by peering at the world through a detailed, methodical analysis of each culture. Each culture had unique, unduplicateable contributions to make to the ideas of history and civilization.

In its essence, Vico's work was the first modern dialectic of cultural pluralism. Our friend, Peter Bosa, in his life and his work, exemplified Vico's theses.

Peter was born in 1927, in Friuli, an isolated border region of Italy in the northeast corner adjacent to Austria and Yugoslavia. It became a part of Italy only in 1866. This turbulent region was dominated in succession by Venice, Rome, the Vatican, Vienna and then Rome again. First, it was part of Venice's region. It then became part of the Austro-Hungarian empire, followed by the Italian monarchy. Finally, it became part of the Italian Republic.

As could be expected, the Furlan society in this century was divided, set between "reds" and "blacks," the church and socialists, the right and the left, and further fragmented by periodic eruptions of separatist movements. Into this hotbed of conflicting loyalties, in 1922, in Udine, then the capital of Friuli, Mussolini dropped his republican pretensions and started his march to the right.

The Furlan, the people of Friuli, are a passionate, robust society of hardy men and women, mountaineers and small farmers. In the frequent cycles of depression and political unrest, the Furlan began to emigrate. They chose, to a large measure, Canada. In Toronto, the Furlan represent a minority of Canadians of Italian descent, only approximately 50,000 of the 750,000. However, they developed strong bonds of community. They never forgot their roots or their singular dialect.

From this ambitious minority, a majority of civic and business leaders of Italian descent emerged in Toronto. Peter Bosa was a highly visible, most respected and much-admired figure of this vibrant community within a community.

When the earthquake hit his home region of Friuli, as was mentioned earlier, Peter led humanitarian efforts to help this impoverished region. Peter loved his family, his community Canada. He brought a wise and gentle but perceptive mind to all problems confronting his community, his country and his church. He had a European aesthetic sense.

●(1440)

He combined an easy facility in Italian, of course, with English, French, Spanish, and German — and he quickly picked up other dialects. He was a keen student of social issues and foreign affairs, and he served with distinction as Canada's representative at international bodies such as the IPU and NATO. His life experiences, as an immigrant and as a student of Italy and of European history, made him a staunch federalist and an unforgiving foe of separatism.

Peter was deeply imbued with intellectual pursuits — whether theology, philosophy, politics or literature. He read widely and deeply. Yet in all things he was self-taught, for he arrived in Canada as a young immigrant with only a fragmentary education.

I first met Peter in 1961 when he was working in the Davenport riding in the heart of “Little Italy” for Walter Gordon. We became fast friends. We served together on the Toronto and District Liberal Association and worked on the multicultural, labour and immigration committees. Both of us came from minority backgrounds and had a strong, mutual sense of being an outsider in a majority society. We both came to Ottawa in the mid-sixties to serve as ministerial assistants during the Pearson era. These strong bonds were resuscitated when I joined Peter in the Senate.

I believe that Peter was the first Canadian of Italian descent to be appointed to the Senate, and I know for a fact that it was one of the proudest moments — if not the proudest moment — of his life. His contributions to the Senate have been noted by others. Suffice it to say that he carried this honour with ease and distinction.

Peter was a gentle man; in all respects wise. Though quiet-spoken, he disguised his deep convictions and his much deeper beliefs. He was an indefatigable and dependable mainstay of the small, liberal group of activists that animated the Liberal Party on every front. He never forgot his humble origins, where he came from, how far he had travelled, or those in society less fortunate than himself.

Peter loved all things Italian. He loved wine. He loved making wine. He loved gardening, food, friends, music, opera, especially the Furlanian folk songs, but above all his family, his adoring wife, Teresa, and his two lovely children, Angela, Mark, and their grandchild.

When illness struck him recently, so suddenly and so savagely, he remained calm, quiet, an example for all. He only wanted to be healthy enough to come back to resume his work in the Senate. He loved the Senate in all its works. He remained a man of gentle persuasion and gentility. His wisdom, his quiet humour, and the pleasure of his company will be sorely missed and not forgotten.

*Arrivederci, Pietro. Pax vobiscum.*

**Hon. Willie Adams:** Honourable senators, I just want to make a short statement about my friend Senator Bosa. Twenty-one years ago, four of us walked into the Senate chamber together, having been appointed at the same time in 1977: Senator Frith, Senator Olson, Senator Bosa, and myself. Last spring, it had been 21 years that Peter was my seatmate.

He was always asking me, “Willie, when are you going to invite me to go fishing up north?” Finally, about a year and a half ago, in June, Peter, his son Mark and I went up to Rankin Inlet to do some char fishing. He obviously enjoyed it. As was usual for that time of year, the weather was quite bad. We went out on the land on our four-wheeled Hondas. It was very rough and muddy. Mark, his son, was driving, and Peter was on the back of the machine. We slept two nights in a tent. I know he enjoyed himself very much. There he was, eating fresh Arctic char at Rankin Inlet.

Only two other senators have been up north with me since I have been here — Senator Hébert, now retired, and Senator Mercier, who took his place. We slept in an igloo on the 1st of April, in Igloolik.

Senator Bosa was a very good friend for close to 21 years, and I miss him. I joined other senators in Toronto for his funeral late last year, after we broke for Christmas. I offer his family my sincere condolences.

**Hon. Eugene Whelan:** Honourable senators, I knew Peter from 1963, approximately 35 years. Much has been said about him here today and I will not repeat what others have said, but in my opinion he was one of the perfect images of what we call a great Canadian.

**The Hon. the Speaker:** Honourable senators, I would ask you to please rise for a moment of silence in memory of our colleague and good friend Senator Peter Bosa.

*(Honourable senators then stood in silent tribute)*

## BUSINESS OF THE SENATE

**The Hon. the Speaker:** Honourable senators, before we proceed to Senators' Statements, I would like to welcome all of you back for the resumption of this session. I will deliberately not say “resumption of work of the Senate” because I know that quite a number of senators were active on committees during the recess period.

It is a pleasure to see you all — and all of our staff — back.

*[Translation]*

It is a pleasure to see you again and I hope that, over the coming months, we will have an orderly and enjoyable session.

*[English]*

## SENATORS' STATEMENTS

### QUESTION OF PRIVILEGE

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, pursuant to rule 43(7) of the *Rules of the Senate of Canada*, I rise to give oral notice that I shall raise a question of privilege this afternoon. Earlier today, pursuant to rule 43(3) of the *Rules of the Senate of Canada*, I gave written notice to the Clerk of the Senate. At the appropriate time, I shall be asking His Honour the Speaker to rule on the facts that I will outline in detail at that time, in order to make a determination as to whether or not there is, as I believe there is, a *prima facie* case of breach of privilege.

The matter relates to an extremely offensive publication, *Hustler* magazine, in particular its current issue, which concerns work of the Parliament of Canada, work which this chamber is seized of, to the extent that the first reading of the bill in the other place is delivered to us and we all have it in our binders. I am speaking of the legislation relating to split-run magazines. I believe it to be a serious breach of parliamentary privilege that



speaks to and demands the duty of all parliamentarians who are interested in the integrity of our Canadian parliamentary system. None of us in Canada are immune to the way that members of the Congress of the United States of America, even though it is another culture under a different system of governance, might become intimidated and threatened by the same principles that are associated with *Hustler* magazine. It is a despicable publication, and it carries a despicable message. It interferes with the free exercise of debate in Parliament. I will be raising this matter at the appropriate time later today.

• (1450)

**The Hon. the Speaker:** Honourable senators, Honourable Senator Kinsella has submitted his notice of privilege in keeping with the *Rules of the Senate of Canada* and he will be heard later this day — either at the conclusion of the Orders of the Day or at eight o'clock this evening, whichever comes first.

### BLACK HISTORY MONTH

**Hon. Donald H. Oliver:** Honourable senators, February is Black History Month. As I have stated in this chamber before, the purpose of designating February as Black History Month is to recognize, learn, celebrate and honour the accomplishments of black people. The concept had its origin in 1926 in the United States and it was called "Negro History Week," which was proposed by Carter G. Woodson, a black educator and publisher who lived in New Canton, Virginia. He felt that the mainstream history texts in the schools of the United States virtually ignored the positive accomplishments of black people. In his view, the only way to celebrate this rich culture was to move outside the normal curriculum and establish special events to call attention to the history of black people in the United States. I share his view.

I wanted to outline some of this rich history to you today in celebration of Black History Month, but there is another pressing matter I must raise with you, namely, the future of the Canadian Race Relations Foundation, which is still in jeopardy.

The Liberal government of Jean Chrétien has introduced legislation, now progressing through the other place, designed to "gut" the object and purpose of this foundation.

The establishment of the Canadian Race Relations Foundation, independent of government, was the result of a promise made by the previous Progressive Conservative government as part of its overall settlement with Japanese Canadians. After much dithering, the present Liberal government proclaimed in force the legislation to establish this foundation in 1996. Its mandate as written is broad. I cautioned at that time that, no matter how broad the mandate, it would not be effective unless it had a competent board of directors and was adequately resourced.

Honourable senators, I need your help, because I never thought that the first thing this government would do after naming the board of directors of the foundation would be to completely gut its mandate.

By virtue of the changes proposed in Bill C-44, the role of the foundation goes from being proactive in the fight against racism to one of a passive spectator. It is being stripped of its original advocacy role of "promoting the development of effective

policies and programs for the elimination of racism and racial discrimination." If Bill C-44 passes, the foundation will be reduced only to an information clearing house. The foundation's main role of consultation and collaboration with business, labour, voluntary, community and other organizations will be taken away.

On September 20, when I asked the Leader of the Government in the Senate what he intended to do about this destruction of the mandate of the Canadian Race Relations Foundation, he told me that his government believes that all people are equal, whether or not they belong to a minority.

On November 19, I told this same government house leader that his government had agreed to changes in Bill C-44 with respect to the mandate of the CBC. What did he tell us then? He told us that he had talked to the minister involved and, again, he would bring my concerns to the attention of the minister.

On November 26, in response to yet another of my questions on this matter, the Leader of the Government went so far as to say that he is one who agrees that the mandate of the Race Relations Foundation should be preserved. This time he said that he would bring "forcefully and timely" representations to the minister responsible.

Finally, on December 9, he told the Senate in response to yet another question, "that the government has not yet determined how it will proceed."

Honourable senators, the government has done nothing neither in response to my questions nor to questions put in the other place. The multicultural community of Canada wants action. It wants this government to leave the Race Relations Foundation alone so that it can do its work effectively.

Canada's multicultural community is watching. It is watching to see if the Leader of the Government in the Senate lives up to his word.

[Translation]

### INTERNATIONAL DEVELOPMENT WEEK

**Hon. Rose-Marie Losier-Cool:** Honourable senators, this year, International Development Week began January 31 and will end on February 6, 1999. This year's theme, Celebrate Canada's Place in the World, underscores Canadians' contribution to international development.

The activities planned for this week include a presentation by the Canadian Association of Parliamentarians for Population and Development, which I jointly chair, in cooperation with the Canadian Society for International Health entitled "Motherhood without risk" in Pakistan and Indonesia, in the company of renowned photographer Nancy Durrell McKenna.

Our colleague Senator Andreychuk will be the guest speaker at this presentation, which is to be held on Thursday, February 4, at 10 a.m. in room 238-C of the Centre Block. I invite all senators to attend, especially those with an interest in international development.

I, myself, will be in The Hague, Holland, attending the international forum of parliamentarians on the revision of the International Conference on Population and Development (ICPD+5). The aim of this meeting is to enable Canada and other participating countries to set out their policies and strategies on population and development since the International Conference on Population and Development held in Cairo in 1994. I will be presenting a paper on the sexual health of adolescents at this meeting.

In closing, I would like to honour the excellent work done by Canadians working in NGOs, federal departments and universities and the volunteers in Canada working for international development either nationally or internationally.

Throughout the world, thousands of communities need the help and expertise of Canadians to improve their living conditions in terms of education, health, the environment or in other areas that would improve their living standards.

[English]

## ALBERTA

### GROWTH OF POPULATION AND ECONOMY— PROTECTION OF QUALITY OF LIFE

**Hon. Douglas Roche:** Honourable senators, the Christmas-New Year's break gave me the opportunity to reflect on how the dynamic economic growth of Alberta contributes to the strengths of Canada as a whole.

Since becoming a senator, I have met with Premier Ralph Klein, Mayor Bill Smith of Edmonton, Mayor Al Duerr of Calgary, and Jim Edwards, President and CEO of Economic Development Edmonton. These leaders, and their colleagues, are moving Alberta forward to play a dynamic role in the Canada of the third millennium.

Already, Alberta has pulled ahead of British Columbia as the third largest non-resource manufacturing centre in Canada. The statistics for growth of both Calgary and Edmonton are impressive and a population migration to Alberta is well under way. Both major cities and the other smaller centres are riding a wave of change.

With this economic boost, however, comes a set of problems concerning the quality of life in the province, for example, with transportation, housing, health, education and social services. These are growing concerns and they underlie our approach to a new social union in Canada.

•(1500)

How can tax dollars be funneled to improve the quality of life in the local communities where people live while at the same time protecting and advancing national standards? That is the great challenge we face as both the federal and provincial governments work out new arrangements for applying the available tax dollar to the greatest need.

The local communities need more money to pay for quality-of-life services that people need. The provincial governments need to have more freedom to direct tax dollars to health, education and social needs. The federal government must ensure an equality of standards that will promote the national unity of our country. Alberta, for economic and political reasons, is a test case on how successfully governments at all levels can address the quality-of-life issues. These issues, which impact so seriously on the daily lives of people across the country, will not be resolved by partisanship but by putting the common good of Canadians at the forefront of public policy.

## ROUTINE PROCEEDINGS

### LIBRARY OF PARLIAMENT

#### ANNUAL REPORT OF PARLIAMENTARY LIBRARIAN TABLED

**The Hon. the Speaker:** Honourable senators, I have the honour to table the annual report of the Parliamentary Librarian for the fiscal year 1997-98.

### SECURITY AND INTELLIGENCE

#### REPORT OF SPECIAL COMMITTEE— CONFIRMATION OF TABLING—MOTION FOR CONSIDERATION

**Hon. William M. Kelly:** Honourable senators, I wish to inform the Senate that, pursuant to an order adopted by the Senate on December 8, 1998, I deposited the report of the Special Committee of the Senate on Security and Intelligence with the Clerk of the Senate on January 14, 1999.

Honourable senators, I move that the report be placed on the Orders of the Day for consideration on Thursday next, February 4, 1999.

On motion of Senator Kelly, report placed on the Orders of the Day for consideration on Thursday next, February 4, 1999.

### ADJOURNMENT

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, with leave, I move, seconded by Honourable Senator Graham:

That when the Senate adjourns today, it do stand adjourned until tomorrow, Wednesday, February 3, 1999, at 1:30 p.m.

**The Hon. the Speaker:** Honourable senators, is leave granted?

**Hon. Senators:** Agreed.

Motion agreed to.



## RAILWAY SAFETY ACT

### BILL TO AMEND—FIRST READING

**The Hon. the Speaker** informed the Senate that a message had been received from the House of Commons with Bill C-58, to amend the Railway Safety Act and to make a consequential amendment to another act.

Bill read first time.

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the second time?

On motion of Senator Carstairs, bill placed on Orders of the Day for second reading on Thursday next.

## QUESTION PERIOD

### CAPE BRETON DEVELOPMENT CORPORATION

#### ANNOUNCEMENT OF MINE CLOSINGS—POSSIBLE INPUT OF AFFECTED WORKERS IN CHOICE OF ADJUSTMENT PROGRAMS INSTITUTED—GOVERNMENT POSITION

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, I have a question for the Leader of the Government in the Senate. A few days ago, Canadians, particularly Canadians in Atlantic Canada, were brought to attention by the developments relating to Devco. We know that the Leader of the Government in the Senate has ministerial responsibility for the Province of Nova Scotia, and indeed we saw his participation in the government announcement.

I know, too, that my colleagues Senator Murray and Senator Buchanan are attempting to get here today, but are being impeded by the weather.

We recognize the importance of this transition for the people of Atlantic Canada, and for the people of Cape Breton Island in particular. Will the affected Devco workers have any say in the kinds of adjustment programs that will be put in place to meet their needs arising from the changes that are part of the government's announcement last week?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, the question raised by my honourable friend is very timely. Obviously, it involves an issue which has consumed my attention for the past several weeks and, indeed, months as we have agonized over the future of coal in Cape Breton.

As I said at the time of the announcement, the fundamental questions are whether there are better ways in which the federal government can help Cape Breton to maximize its economic opportunities and create more jobs at home, and whether it is economically feasible to carry on with the status quo in our coal industry. We all want Cape Bretoners to be able to live and work in Cape Breton, but we do not believe that the economic future is in coal mining alone.

Having said that, an announcement was made last Thursday by the Minister of Natural Resources, Mr. Goodale, on behalf of the Government of Canada. I accompanied Mr. Goodale at that time, along with the chairman of the board of directors of Devco, Mr. Joe Shannon. An adjustment program for the phasing-out of the Phalen colliery was announced. It was also announced that a decision had been taken to privatize Prince mine at some point in the future. Indeed, the minister was authorized to begin that process immediately, which is expected to take some time.

With respect to the specific question of consultation regarding adjustment programs, the early retirement program was in line with the collective agreement that was reached in 1996. Indeed, the severance package was an enhanced package, which was accompanied by an undertaking that moneys would be provided for the retraining of those most affected.

There will be ongoing consultations as to the future of Devco, not only with the United Mine Workers but with the community as well. We will most certainly consult with the broader community with respect to economic development in the region.

•(1510)

#### ANNOUNCEMENT OF MINE CLOSINGS—ADJUDICATION OF ADJUSTMENT PROGRAMS FOR WORKERS— GOVERNMENT POSITION

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, with regard to the adjustment programs being set in place for the affected workers, will there be options available, or will one template be applied to all? No two workers or workers' families will have the same profile and their needs will be different. Although, as the minister has just indicated, an attempt was made to align these adjustment benefits with the provisions of the collective agreement in place, inevitably, I submit, there will be disputes.

Will the dispute settlement mechanism of the collective agreement apply, or does the government envisage an adjudication mechanism such that affected workers will be able to apply to some third party for a determination as to whether a given adjustment program or benefit under a given program is fair?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I am not aware that any adjudication process has been entertained by the government, or by the corporation.

## HUMAN RESOURCES DEVELOPMENT

#### CONFIRMATION OF SIZE OF MOUNTING SURPLUS IN EMPLOYMENT INSURANCE FUND—GOVERNMENT POSITION

**Hon. Donald H. Oliver:** Honourable senators, in its January 1999 monthly economic review, the economic consulting firm Informetrica, looking at the growing EI surplus, estimated that even with continued reductions in premiums after 1999, this account will build to a balance in the neighbourhood of \$70 billion by the year 2003. The government does not release forecasts beyond two years, even though these do exist internally.



My question for the Leader of the Government in the Senate is: Do the government's internal numbers show the EI fund building to a surplus of that magnitude by the year 2003?

[Translation]

**Hon. B. Alasdair Graham (Leader of the Government):** I am not aware of any projections of that nature, honourable senators.

**Senator Oliver:** Could the honourable leader check to see whether or not they are available, and would he give an undertaking to the chamber that he would table them?

**Senator Graham:** Honourable senators, if projections have been made of that magnitude in that time frame, I would be very happy to bring the information forward.

MONITORING OF CHANGES TO EMPLOYMENT  
INSURANCE ACT—DATE OF COMPLETION OF REVIEW  
AND ANNOUNCEMENT OF CHANGES—GOVERNMENT POSITION

**Hon. Donald H. Oliver:** Honourable senators, problems with the EI fund are well known. Only one-third of the unemployed now qualify for benefits. At the same time, Canadian workers and those who employ them pay premiums that are one-third more than what is needed to run the program. A few weeks ago, the government said that it was looking at the effect of recent changes to the program. Minister Pettigrew was heard to say on CBC Radio's *World Report* on January 22:

We know that for many Canadians, it's made the situation pretty tough. We are monitoring that very, very closely.

At the same time, the chair of the Liberal caucus, Joe Fontana, said, "I think it's fair to say that what the Liberal caucus and the Liberal government want to do is make sure that working men and women get the benefits that they deserve, that they're paying for."

Could the government leader report back on exactly which of the changes the government made to the EI act are now being monitored? Is it the hours-of-work rule that made it next to impossible for part-time and temporary workers to pick up enough hours? Is it the reduced benefit rate? Is it the penalties on so-called new workers, many of whom are not so new, to the labour force? Is it the shorter benefit period? Could the government leader tell us when the government will complete this review and announce changes?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I anticipate that the review will be completed in the near future. The honourable senator has asked a series of important questions, and I am sure that he does not anticipate that I would answer them all today. I will attempt to bring forward an answer as soon as possible.

## FEDERAL-PROVINCIAL RELATIONS

### CURRENT TALKS ON SOCIAL UNION—REINSTATEMENT OF HEALTH TRANSFER PAYMENTS—GOVERNMENT POSITION

**Hon. Fernand Roberge:** Honourable senators, according to a confidential document drafted by the provincial ministers of intergovernmental affairs during last week's social union negotiations in Victoria, a copy of which has been obtained by *The Globe and Mail*, the provinces wish to establish a new rule to be adhered to by the provinces and the federal government.

However, what the provinces want above all else is for the \$6.2 billion in cuts to the Canada Social Transfer to be returned to the provinces before any negotiation of funding for health and social programs.

In addition, the provinces appear to agree with Ottawa that Canadians should have access to proper information and to reports on the way the government's social policy is being administered.

On the other hand, instead of applying this process to the quality of health care provided by the provinces, the federal government should provide annual public reports on its desire to provide adequate and stable funding for national social programs.

My question is for the Leader of the Government. Does he not agree that, before imposing performance criteria on the provinces with respect to social policy, the federal government ought instead to turn back to the provinces, as quickly as possible, the \$6.2 billion that has been cut from the Canada Social Transfer, without any consultation of the provincial governments, since 1994?

[English]

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, that is a valid question as well. My understanding is that if you take into consideration the revenue transfers and the tax points to all of the provinces, you would be very close to the original levels at the time the cuts began. The honourable senator will recognize that the reason for the cuts was to restore stability to the fiscal situation in our country.

It will be interesting for all honourable senators to watch the developments as a result of the first ministers' meeting that has been convened by the Prime Minister. That meeting will take place at 24 Sussex on Thursday of this week.

[Translation]

### CURRENT TALKS ON SOCIAL UNION—COMMITMENT OF FEDERAL GOVERNMENT ON CONTINUITY OF FUNDING OF SOCIAL PROGRAMS—GOVERNMENT POSITION

**Hon. Fernand Roberge:** Can the Leader of the Government tell us whether the federal government would be prepared to commit to ensuring stable and adequate funding for its social programs for the next five years, as it has done for the CBC?

[English]

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I think that, too, is a question that would be better asked after the first ministers' meeting on Thursday. I am sure that those points and other matters will be discussed at the meetings. I would be happy to bring forward a report following those meetings.

[Translation]

**Senator Roberge:** I am sure we will get some of these answers, but I would nevertheless like to have the government leader's opinion on this: Does he not think that the government should acknowledge the provinces' right to plan the medium-term administration of their health systems, in order to avoid any repetition of the horrific situations we have seen in the hospitals and universities in recent years?

[English]

**Senator Graham:** Honourable senators, this government has balanced the budget and now has a surplus. We anticipate that the Minister of Finance will be bringing down a budget later this month. As has been widely speculated, the centrepiece of that budget might very well be health, and health care delivery services. I am hopeful that the government, which carries the mantle of the party which brought universal medicare to all of the provinces of Canada, and which wants to preserve the finest health care delivery services in all of the world, will, in this forthcoming budget, bring forward the kind of new, positive measures that will enable us to continue to boast that we do indeed have the best health care delivery system of any country in the world.

#### DELAYED ANSWER TO ORAL QUESTIONS

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I have a response to questions raised in the Senate on November 5, 1998 by the Honourable Senator Stratton and the Honourable Senator Andreychuk regarding the appointments to the Canada Pension Plan Investment Board.

#### HUMAN RESOURCES DEVELOPMENT

APPOINTMENTS TO CANADA PENSION PLAN  
INVESTMENT BOARD—ENTITLEMENT OF APPOINTEE  
TO RECEIVE TWO SALARIES—GOVERNMENT POSITION

*(Response to questions raised by Hon. Terry Stratton and Hon. A. Raynell Andreychuk on November 5, 1998)*

A directorship of a Crown corporation is a part-time job, with per diem.

Individuals are permitted to hold two part-time positions with the government, and to be compensated accordingly, since they are only being paid for the work they do.

#### PAGES EXCHANGE PROGRAM WITH HOUSE OF COMMONS

**The Hon. the Speaker:** Honourable senators, I should like to introduce to the Senate the pages from the House of Commons who will be here this week on the exchange program.

We have Sheizana Murji from Calgary, Alberta. Sheizana is studying at the Faculty of Social Sciences at the University of Ottawa, majoring in political science and economics.

[Translation]

Isabelle Chartrand, of Orleans, Ontario, is studying at the University of Ottawa. She is registered in the Faculty of Administration and is specializing in international management.

[English]

•(1520)

On behalf of all honourable senators, I wish you welcome, Sheizana and Isabelle, and wish you a pleasant stay here with us this week.

#### PRIVACY COMMISSIONER

NOTICE OF MOTION TO PERMIT COMMITTEE OF THE WHOLE TO  
EXTEND DATE OF FINAL REPORT

Leave having been given to revert to Notices of Motions:

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, I give notice that tomorrow, Wednesday, February 3, 1999, I will move:

That notwithstanding the Order of the Senate adopted on October 29, 1998, the Committee of the Whole, to which was referred the Report of the Privacy Commissioner for the period ended March 31, 1998, be empowered to present its report no later than February 18, 1999.

#### ORDERS OF THE DAY

##### CARRIAGE BY AIR ACT

BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

**Hon. Pierre De Bané** moved the second reading of Bill S-23, to amend the Carriage by Air Act to give effect to a Protocol to amend the Convention for the Unification of Certain Rules Relating to International Carriage by Air and to give effect to the Convention, Supplementary to the Warsaw Convention, for the Unification of Certain Rules Relating to International Carriage by Air Performed by a Person Other than the Contracting Carrier.

He said: Honourable senators, I am pleased to rise today to bring to your attention a short but important bill, Bill S-23, to amend the Carriage by Air Act to give effect to a Protocol to amend the Convention for the Unification of Certain Rules Relating to International Carriage by Air and to give effect to the

Convention, Supplementary to the Warsaw Convention, for the Unification of Certain Rules Relating to International Carriage by Air Performed by a Person Other than the Contracting Carrier.

That is a long official title, honourable senators. More simply stated, Bill S-23 amends the Carriage by Air Act so that Canada can join other states in legally recognizing two major international instruments dealing with matters relating to air carrier liability — one, the Montreal Protocol No. 4 relating to cargo, and the Guadalajara Convention clarifying the coverage of the Warsaw Convention.

[Translation]

Honourable senators, permit me to return to the content of the Carriage by Air Act. The Act is succinct: Its six sections concern the implementation of Canada's adherence to the Warsaw Convention approved in 1929 and amended by the 1955 The Hague Protocol.

As you know, these are generally recognized international legal instruments containing a set of standards and rules governing the international carriage by air of passengers, baggage and freight.

They establish, more specifically, the common rules on the responsibility of a carrier in the event of the demise or wounding of a passenger or the loss or damage of baggage or merchandise.

[English]

The unification of law relating to the international carriage by air, in particular the unification of law relating to liability, has been of vital importance for the harmonious management of international air transport. Without such unification, complex conflicts of laws could arise, and the settlement of claims would be unpredictable, costly, time consuming and possibly uninsurable. Furthermore, conflicts of jurisdiction could arise which would further aggravate the settlement of liability.

[Translation]

Unification significantly facilitates air transportation internationally, since conditions for the carriage of passengers, baggage and merchandise are similar to a large extent.

In this regard, the Warsaw Convention was acclaimed and considered the international private law convention making it possible to unify the legal systems of the 140 odd participating states.

[English]

However, on the international scene, it has long been recognized that the 1929 Warsaw Convention requires change to modernize it so as to provide a mandated wider protection for passengers, carriers and shippers. Montreal Protocol No. 4 and the Guadalajara Convention were developed to do just that.

It has to be noted that, worldwide, a number of airlines, in recognition of the outdated limits of liability, voluntarily increased their liability limits, while at the same time continuing to observe all other aspects of the Warsaw regime, such as jurisdiction, et cetera.

[Translation]

Montreal Protocol No. 4 provides for the simplification of documents relating to the carriage of freight and the amendment of the relevant liability regime.

To this end, it permits the use of electronic means to send shipping slips. This approach permits not only greater certainty, but also the use of the most modern means of transmitting information and reduced risk of litigation within the aeronautical industry.

In recognizing Montreal Protocol No. 4, Canada will help control the costs related to insurance and to the pricing of merchandise. This will save time and money for both the carriers and the shippers.

[English]

In addition, and as an important consideration, honourable senators, it will also promote the government's aim of securing economic growth by facilitating and encouraging trade. Canada's ratification of Montreal Protocol No. 4 is timely, given new policies advanced by the Minister of Transport in the area of scheduled and charter all-cargo air services which are designed to promote international cargo services by Canadian carriers.

Montreal Protocol No. 4 recently came into effect when it was ratified by the requisite number of states. Most recently, the United States completed the steps necessary to ratify Montreal Protocol No. 4, and it will take effect in respect of U.S. participation on March 4 of this year.

[Translation]

It is therefore very important for Canada to use this legislation to enable it to ratify this protocol so that Canadian air carriers may remain competitive.

Inaction on our part, honourable senators, could place Canadian companies at a disadvantage, since the United States is in a position to implement these texts before Canada, and so we must move on this immediately.

[English]

•(1530)

The Guadalajara Convention clarifies the relationship between passengers and shippers on the one hand and carriers on the other hand.

Under this convention, a carrier actually performing the carriage on behalf of another carrier that contracted for it is also brought under the liability regime of the Warsaw Convention.

Canada's accession to the Guadalajara Convention is particularly relevant as Canada's major carriers enter into more extensive alliances with other international carriers and opportunities to operate new routes in cooperation with other carriers become more available. It will set out clear rules regarding air carriers' liability in situations where one carrier is operating for another carrier — rules which, I have no doubt, consumers already assume are in place.



[Translation]

Honourable senators, I am very pleased to introduce this bill and to remind you that there is nothing controversial about the Guadalajara Convention and Montreal Protocol No. 4.

They are both already in application internationally; both are advantageous to passengers, shippers and carriers; they allow greater uniformity of the rules governing international air transportation; they will both contribute to lessening the risk of litigation within the aeronautical industry.

[English]

The authority for Canada to adhere to these instruments is provided by adding references to the two new schedules, IV and V, which are to be annexed to the Carriage by Air Act.

Extensive consultations conducted by Transport Canada determined that both Additional Protocol No. 4 of Montreal and the Guadalajara Convention have the unanimous support of the Canadian aviation industry as well as all the aviation-related organizations in Canada.

Notably, the airlines are very anxious for Canada to act quickly, particularly now that Additional Protocol No. 4 of Montreal is in force and applies in many countries.

[Translation]

Honourable senators, in addition to the industry consultations, 23 federal departments and agencies were consulted. These included Justice, Finance, Foreign Affairs, National Defence and the National Transportation Agency. All supported Canada's adoption of these two instruments or raised no objections.

As you know, honourable senators, the transportation industry is a vital component of the Canadian economy. The industry and related services account for 400,000 jobs and contribute \$20 billion to our gross national product.

[English]

It is therefore imperative, honourable senators, that we ensure that Canadian travellers, carriers and shippers have the benefit of a clear liability regime that reflects the realities of today's aviation industry.

Recently, Parliament dealt with legislation pertaining to marine liability. We are now proposing to move in the area of air carrier liability. Honourable senators, the amendments proposed by Bill S-23 to the Carriage by Air Act are aimed at ensuring that Canada recognizes and adopts as law internationally recognized legal instruments dealing with the international carriage of cargo and passengers.

[Translation]

On motion of Senator Roberge, debate adjourned.

[English]

## PRECLEARANCE BILL

### SECOND READING—DEBATE ADJOURNED

**Hon. Sharon Carstairs (Deputy Leader of the Government)** moved the second reading of Bill S-22, authorizing the United States to preclear travellers and goods in Canada for entry into the United States for the purposes of customs, immigration, public health, food inspection and plant and animal health.

She said: Honourable senators, I rise today to address Bill S-22, the proposed preclearance legislation which was introduced for the first time on December 21, 1998.

The proposed Preclearance Act is a key element in Canada's efforts to modernize our border with the United States, while at the same time maintaining Canada's sovereignty and protecting the rights and freedoms of Canadians.

Before I explain how this bill does that, let me briefly explain what preclearance is and how Canadians have and will continue to benefit from these services.

Preclearance was introduced in Toronto in 1952, and is currently operating at the Vancouver, Edmonton, Calgary, Winnipeg, Toronto, Ottawa and Montreal airports. It allows the United States border control officers working in Canadian airports to determine what people and goods can enter the United States.

Canada and the United States formalized this arrangement under the Air Transport Preclearance Agreement on May 8, 1974. However, this did not spell out the powers of the United States law and was not given force through any implementing legislation.

This year is the fourth anniversary of the Open Skies Agreement and the twenty-fifth anniversary of the 1974 Air Transport Preclearance Agreement.

These two agreements have worked hand in glove to transform air passenger travel between Canada and the United States. In the past, travelling from Canada to the U.S. was long and arduous, as most travellers had to route through airport hubs.

Since Open Skies, some 84 U.S. destinations can be reached non-stop from 11 Canadian cities. Preclearance is important to this success because most of these 84 destinations do not have customs and immigration inspection. The fact that travellers could be precleared by United States inspection agencies in Canada made Open Skies work. Further, passengers who are precleared in Canada do not wait in line for customs and immigration services upon arrival at American airports and enjoy shorter delay times with connecting flights.

Since the signing of Open Skies, air traffic has increased 31 per cent, rising from 13.6 million passengers to 17.9 million in four years. Compared to 1994, approximately 1.8 million more business travellers and tourists arrive in Canada from the U.S. by air, a remarkable increase in what is already the largest trading relationship in the world.

American preclearance operations in Canada have operated effectively for over 40 years. In 1997, of 8.5 million passengers processed at U.S. preclearance sites, less than .002 per cent were denied entry into the United States.

Canada has four major objectives for border cooperation: Access to our friends, family and business partners in the United States; facilitation of goods to ensure access to the United States market; protection from international crime; and ensuring Canadian sovereignty and protection of our rights and freedoms.

The proposed Preclearance Act contributes to these four objectives and gives Canada a crucial building block for the 21st century.

The question one may ask is why this legislation is required now, since we clearly have been operating successfully without a legislative enactment.

Major changes have occurred since 1974. The 1982 Charter of Rights and Freedoms granted Canadians new individual rights. Border processing of persons and goods has evolved as a result of the rapid increase in border crossings and the adoption of new technology. Traffic has risen dramatically as has the number of routes. The need for efficient and effective processing is essential in an era of just-in-time delivery.

This proposed legislation, which is modelled on existing preclearance schemes in Europe, such as the Swiss-French airport agreement, will allow Canada and the United States to modernize and to apply new and innovative approaches to border management. It will be accompanied by amendments to the 1974 Canada-U.S. Preclearance Agreement which will reflect the new legislation and other safeguards agreed to by both Canada and the United States.

•(1540)

This legislation will update and clarify the legal status of U.S. preclearance services at Canadian airports; provide appropriate legal authorities to counter illegal activities while protecting travellers' rights under Canadian law; and provide the legal basis to re-engineer border operation arrangements by air and other modes of transportation.

The bill contains various provisions that ensure the supremacy of Canadian law, for example, by ensuring that in the case of a conflict of laws, Canadian law overrides American law.

The legislation also offers Canadian legal protections for travellers. They would have full rights under the Charter of Rights and Freedoms, the Canadian Bill of Rights and the Canadians Human Rights Act. A traveller would have the right to leave a preclearance area without going to the U.S.A. unless the traveller had been detained. A traveller who is detained for a frisk or strip search would have the right to have the decision reviewed by a senior officer, and only Canadian officers would conduct strip searches.

Bill S-22 will provide structure for the preclearance regime and direct its enforcement. The administration of American law

will be limited to those laws dealing with customs, immigration, public health, food inspection, and plant and animal health. Only the provisions of those laws that are directly related to the admission of travellers and the importation of goods to the United States will be administered by them. These border control laws can only be applied in preclearance or transit areas which will be designated by the Government of Canada.

The main job of a preclearance officer is to determine whether travellers and goods are to be allowed entry into the United States. The bill would grant a preclearance officer the authority necessary to make that determination. Under the legislation, preclearance officers would be able to administer certain United States laws related to customs, immigration, public health, food inspection, and plant and animal health. They would have the ability to examine and seize goods which may then be subject to forfeiture. They may have the right to impose monetary penalties on a person who makes a false declaration, or they may deliver them to a Canadian officer to be charged.

The bill also requires airlines to provide limited personal information about passengers from third countries passing through Canada if the passengers wish to use in-transit facilities. This information will be subject to the Charter of Rights and Freedoms and the Canadian Bill of Rights.

All aspects of this preclearance regime will be fully reciprocal with the United States. Canada has not established preclearance in the U.S. However, we have agreed to consider requests by San Francisco and Anchorage, Alaska to establish Canadian preclearance services in their airports.

The bill paves the way for in-transit preclearance which will be providing passengers travelling from Asia and Europe to the United States better and quicker air service. In the past, in-transit passengers were obliged to pass through both the Canadian and U.S. inspection processes, often requiring two visas and a much longer connection time. The new in-transit arrangements will eliminate the Canadian inspection process and encourage international passengers to use Canadian air carriers and airports for their travels to and from the United States. The successful implementation of an in-transit pilot project at Vancouver airport, introduced after the Prime Minister's visit to Washington in 1997, has demonstrated the benefits of this process.

Upon passage of legislation, in-transit preclearance operations will be extended in Vancouver and will be implemented in Toronto and in Montreal's Dorval airport. Calgary airport should be eligible for in-transit preclearance no later than January 1, 2001. Other Canadian airports with current United States preclearance programs — Edmonton, Winnipeg and Ottawa — subsequently will be available for in-transit preclearance.

This bill is intended to be the basis for agreements between Canada and the United States for other modes of transport between the two countries. As trade and travel between our two countries continues to grow in leaps and bounds, the government intends to pursue further discussions and negotiations for air cargo preclearance, as well as road, rail, marine and ferry transportation.



In summary, passage of this bill will bring our border into the 21st century. This legislation will clarify United States authorities and protect travellers' rights under Canadian law. Travellers from Europe and Asia to North America will have better service. There will be a more uniform regime in place at preclearance sites and border entry points to counter illegal activities in a more consistent manner across our shared borders.

I encourage honourable senators to give Bill S-22 their full support so that we can look forward to the very real benefits that Canadians will enjoy from its passage.

On motion of Senator DeWare, for Senator Buchanan, debate adjourned.

## CHILD CUSTODY AND ACCESS REFORM

### CONSIDERATION OF REPORT OF COMMITTEE— DEBATE CONTINUED

On the Order:

Resuming debate on the consideration of the final report of the Special Joint Committee on Child Custody and Access entitled: "For the Sake of the Children," tabled in the Senate on December 9, 1998.—(*Honourable Senator DeWare*).

**Hon. Mabel M. DeWare:** Honourable senators, I rise today to speak to the report of the Special Joint Committee on Child Custody and Access entitled, "For the Sake of the Children." The report of the special joint committee was tabled in both Houses of Parliament on December 9. All honourable senators have received a copy of the report.

The committee held 55 meetings and heard from 520 witnesses. It is difficult to speak to the report in the short time which is allotted to me. However, I will do my best.

I know there are some who feel that this report did not go far enough in addressing the very real concerns that they have. Others may think it went too far. I am sure there are a few who wish that it had not been written at all. However, when it comes to public reaction, "For the Sake of the Children" is in pretty good company. Like many parliamentary reports, it reflects study of an issue that is of overwhelming importance for a great many Canadians. Therefore, it arouses intense emotions and provokes controversy. In fact, for separated and divorced families, nothing strikes closer to home than the issues surrounding child custody and access.

The often emotional testimony of the hundreds of witnesses who appeared before us brought into sharp relief the pain that is experienced in the aftermath of marriage breakdown. At times, I found listening to the testimony to be a heart-wrenching experience. Who could believe that so many Canadians are hurting because of divorce and separation?

Honourable senators, despite the mixed reactions, I believe "For the Sake of the Children" reflects the fact that the Special Joint Committee on Child Custody and Access achieved several important aims. It succeeded in bringing the attention of

governments and the public to bear on an issue that is crucial to many Canadian families. It brought the needs and concerns of those involved in cases of separation and divorce, in particular the children, to the forefront of public awareness. It developed realistic, workable recommendations that now await a response from the government.

Considering that the committee was composed of 23 members representing five parties, I think it managed pretty well. Its success was due, in large part, to the efforts of the Senate co-chair, the Honourable Landon Pearson. I wish to commend her for her hard work, dedication and, above all, her unswerving focus on the interests of the children.

I also wish to salute my Progressive Conservative colleagues on the committee, the Honourable Erminie Cohen and Ms Diane St-Jacques, MP, and I am grateful for the contribution of the Honourable Duncan Jessiman, who was a member of the committee until his retirement last year. As well, I appreciate the hard work of my Liberal Senate colleagues, including the Honourable Senators Cools, Cook and Chalifoux.

While we would have been happy with some modifications to the final document, we support the direction taken by "For the Sake of the Children." We feel the committee produced a balanced report which largely takes into account the concerns and suggestions that we raised. It will act as a catalyst for positive change. In fact, the PC Party was alone among the opposition parties represented on the committee in declining to submit a dissenting opinion, something we did not feel would be constructive at this time.

•(1550)

Although some recommendations could perhaps have been a little stronger, and others added, we are satisfied with the overall thrust of the report. The committee raised the profile of custody and access issues, and the urgent need for improvements, to the point where they can no longer be ignored by Canadians and the federal government, regardless of any reluctance the current government may have to implement the committee's recommendations.

At the same time, we must recognize that there is no magic wand that anyone can wave to make all the problems with the current system go away overnight. Rather, I view the recommendations contained in "For the Sake of the Children" as laying the groundwork for the first steps in a series of incremental changes that will ensure a brighter future for separated and divorced families.

I will briefly discuss several of the 48 recommendations of the report which I believe have the greatest potential to change the status quo and, thus, lessen the negative impact of divorce on children. They also respond to some of the concerns expressed by other members of divorced families. I must say that my heart went out to many of the fathers, in particular, who are no longer able to see their children because of an acrimonious separation or divorce, and who, in some cases, no longer know what their kids look like or where they live. I was also deeply touched by the plight of the many grandparents who have been denied a place in the lives of their grandchildren.

If implemented, these recommendations could reduce the fallout from an adversarial legal system that pits parents against each other and sometimes loses sight of what is best for their children.

What I see as the report's key recommendations are those which involve recognizing that both fathers and mothers must continue to have an important role in their children's lives. This emphasis reflects the fact that both halves of a married couple remain parents after separation and divorce. It is overwhelmingly obvious that children need both their parents. After all, parents divorce each other, not their children.

While the committee stopped short of recommending a one-size-fits-all legislative presumption in favour of shared parenting, the report clearly reflects the value of shared decision making and even substantially equal time sharing where appropriate. With shared parenting, both fathers and mothers continue to play an active role in the care and nurturing of their children with actual residential arrangements being worked out between them. Reflecting this new focus is a call to change the adversarial language and concepts of "custody" and "access" to "shared parenting." I view this as a welcome improvement to the current system which sets up the custody of children as a prize to be fought over by their separating or divorced parents.

The report's related recommendations dealing with parenting plans also mark a real departure from the current system of court-imposed arrangements. Divorcing parents would be encouraged to develop a plan setting out each parent's responsibilities for the residence, care, decision making and financial security for their children. These arrangements would also include mechanisms for dealing with any disputes that may arise between the parents, hopefully reducing the need for litigation. Parenting plans are much more detailed than traditional separation agreements and court orders, and their expanded use would, I believe, encourage parents to consider the needs of their children and all aspects of their day-to-day lives.

As a further precaution, the committee recommends that, in all cases of separation and divorce, both parents should be entitled to receive information about their children's development and social activities. This would include school and medical records. Not only would each parent have to make the information available to the other parent, but that obligation would extend to schools, doctors, hospitals and others.

Further reinforcing this recognition is the inclusion of shared parenting in a recommended list of criteria for decision makers to consider in determining the best interests of the child. This would require parents, judges and others to recognize: "the importance and benefit to the child of shared parenting, ensuring both parents' active involvement in his or her life after separation."

Another recommendation which, if implemented, would, I believe, have tremendous benefits, involves education to help parents focus on the needs of their children rather than simply on their own feelings towards each other. The committee agreed that educating parents immediately after they separate would reduce conflict between them, and their children would benefit. "For the Sake of the Children" therefore recommends that all parents seeking parenting orders whose terms they could not agree on would be required to take part in an education program. They

would need a certificate of attendance before their application for a parenting order could proceed. Such a program would help parents become aware of the post-separation reaction of parents and children, children's developmental needs at different ages, the benefits of cooperative parenting after divorce, parental rights and responsibilities, and the availability of mediation and other forms of alternative dispute resolution.

"For the Sake of the Children" also recommends giving children the opportunity to be heard when parenting decisions affecting them are being made, further ensuring that their interests are considered. The importance of this was brought home to me during the testimony of several child witnesses who appeared before the committee. Honourable senators, when a child asks, "When is someone going to listen to me?" it is time we listened.

I was also pleased with the report's recommendation on the unified family court system which my colleagues and I argued represents the most effective and practical means of minimizing conflict between divorcing parents and improving outcomes for their children. In addition, we believe that many of the services recommended elsewhere in this report could be most effectively delivered through unified family courts.

While detailed recommendations addressing deficiencies in the child support guidelines were somewhat outside the scope of the committee's mandate, the report does recommend that the federal government re-examine them in light of various concerns which were brought to our attention. For example, they do not take the financial capacity of both parents into account and they ignore the needs of children in second and subsequent families.

I wish to conclude my remarks by noting that, unfortunately, "For the Sake of the Children" cannot be expected to have much effect on divorce cases currently in progress. However, if the government acts on its recommendations, there is hope for a much brighter future for separating and divorcing couples with children.

I remind the federal government, which created the Special Joint Committee on Child Custody and Access, that there is no turning back now, and I encourage my colleagues to join with me in urging the government to respond to its report in a timely and positive manner for the sake of the children.

On motion of Senator Cohen, debate adjourned.

[Translation]

## ASIA-PACIFIC REGION

### REPORT OF FOREIGN AFFAIRS COMMITTEE ON STUDY— INQUIRY—DEBATE CONTINUED

On the Order:

Resuming the debate on the inquiry of the Honourable Senator Stewart, calling the attention of the Senate to the eighth report of the Standing Senate Committee on Foreign Affairs entitled "Crisis in Asia: Implications for the Region, Canada, and the World."—(Honourable Senator Andreychuk)



**Hon. Rose-Marie Losier-Cool:** Honourable senators, with leave of Senator Andreychuk, I would like to speak about item 50 of the Orders of the Day, the Asia-Pacific report.

**The Hon. the Speaker:** Is leave granted, honourable senators?

**Some Hon. Senators:** Agreed.

**Senator Losier-Cool:** Honourable senators, as a member of the Standing Senate Committee on Foreign Affairs, I would like to say a few words about the Asia-Pacific report tabled by the chair of the committee, my colleague Senator Stewart.

First of all, I wish to congratulate Senator Stewart on his excellent work throughout the discussions culminating in the tabling of this report.

I will try to limit my remarks to one part of the report, the part dealing with human rights in the Asia-Pacific region and more specifically the impact of this crisis on women and children.

The report provides an extensive description of all the financial and economic impacts of the crisis on the Asia-Pacific region and on the economies that rely on it or that have been affected by the widespread nature of the crisis.

However, I think that the human crisis in this region of the world, the social or human impact of the crisis, is being increasingly felt at several levels. The crisis amplified long term problems, barely hidden by the attention surrounding the "East Asian miracle," including the growth of inequities in East Asian economies; the continued poverty of certain segments of the population in many countries, including China, Thailand and the Philippines; the ongoing problems related to poor quality teaching in certain countries; and the relatively high levels of infant mortality in Indonesia, Korea and the Philippines.

Despite stock market recoveries and more optimistic reports of late, the crisis in the region will have long term effects on the "real economy." The long term and deep consequences we are beginning to see will affect the lives of the inhabitants for years to come.

[English]

In its April 1998 report entitled "The Social Impact of the Asian Financial Crisis," the International Labour Organization stated the following:

Because of their unequal position in the labour market, and their ascribed role in society, women are likely to be more adversely affected by the crisis than men. They are concentrated in the most precarious forms of wage employment and are thus more vulnerable to lay-offs. Women workers are also largely dispersed and unorganized and they are not easily reached by workers' organizations.

Honourable senators, these basic labour-market vulnerabilities are often reinforced by sexist attitudes on the part of employers who regard women as secondary income earners and have used this pretext for dismissing them first when their enterprises are in

crisis. Furthermore, women's gross underrepresentation at decision-making levels makes it more likely that gender-biased dismissal policies will be tolerated.

[Translation]

Women are not only more vulnerable to the negative effects of the crisis, but are also at a disadvantage in terms of access to assistance measures, such as employment assistance, financial compensation or other forms of social programs, when they are offered by the government.

As jobs are lost in the formal sector, women previously not employed are obliged to turn to the informal sector to earn money to support their families.

[English]

A document produced by the Institute for Development Studies on the East Asian crisis confirms that the household income reduction in all countries has already forced many families, particularly the poor, to tap into their available resources — that is women, children and elderly.

[Translation]

In all the countries, school dropout rates increase when poor families cannot pay the cost of educating their children any more. Those who do not drop out must work long hours after school.

In addition, studies reveal that, when incomes drop, it is the girls who are taken out of school first, often to take over the household duties their mother cannot perform because she had to seek paid work in a formal or an informal sector.

In Indonesia, reports indicate that boys are increasingly dropping out of school to join the *padat karya* programs, intensive work project programs.

[English]

Child labour and prostitution have increased as a result. Children are employed because they can be paid very little and are more easily exploited by employers. Parents feel they have no choice because the meagre earnings their children make can be added to the family income. In an article published on June 8, 1998, in *The New York Times*, the author notes:

Most evidence of the human cost is anecdotal, gleaned from travels through remote areas in Asia and from the findings of rural clinics and aid workers like field representatives of the relief group Oxfam. They report that many Indonesian mothers can no longer afford milk, which has tripled in price, and are giving their babies tea.

The picture that emerges suggests increases in death rate, school drop-outs and malnutrition. Some experts say that the legacy of the crisis will be felt long after the region's economies are purring again. "When children are malnourished before they are 5 years old, the impact on their intelligence is permanent," said Dr. Anugerah Pekerti, Chairman of World Vision Indonesia.

"When you combine the two factors we're seeing — malnutrition and its impact on I.Q., and also children dropping out of primary school — the impact will be quite devastating 10 years from now," added Dr. Pekerti.

Even during the boom years, 39 per cent of Indonesia's children were malnourished, according to World Bank figures. Most experts expect these figures to increase.

The economic crisis is already having very harsh human consequences, and these are likely to increase over the next few months. It is of critical importance that human development is protected during the recession, not only to avoid human suffering but also to facilitate resumed economic growth, since serious undermining of education, health and nutrition will have adverse economic consequences.

[Translation]

Honourable senators, in conclusion, allow me to quote from the very end of Chapter 7 of the report:

The crisis in the Asia Pacific region has highlighted the importance of addressing human rights, not as a separate issue, but as an integral element of good governance and sound economic policy.

[English]

**The Hon. the Speaker:** Is it agreed, honourable senators, that this order will remain standing in the name of Honourable Senator Andreychuk?

**Hon. Senators:** Agreed.

Debate adjourned.

## FAMILY VIOLENCE

### INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Carstairs calling the attention of the Senate to the magnitude of family violence in our society and, in particular, the need for collaborative efforts to seek solutions to the various aspects of this form of violence. — (*Honourable Senator Robertson*).

**Hon. Brenda M. Robertson:** Honourable senators, I wish to thank Senator Carstairs for initiating this inquiry into family violence and violence against women. I commend her for describing the nature of family violence in Canada and for recognizing the need to find solutions to this form of violence.

Honourable senators, often we become a little blasé about our prosperity and about our relatively good fortune in life. After all, Canada's wealth, our human skills and our social standards are the envy of the world. However, sometimes we need to remind

ourselves about the greater reality. Is this notion of Canada realistic?

Our economy is not nearly as strong as it needs to be. The OECD's annual report on Canada warns that, if current trends continue, Canada's per capita income relative to the countries with which we normally compete and are compared could decline substantially.

•(1610)

Our health care system is in trouble today. It has not recovered from the 1995 budget cut of \$6 billion in transfer payments to the provinces which the National Council on Welfare called:

...the worst social policy initiative undertaken by the federal government in more than a generation.

The level of child poverty in our country is a national disgrace. Tragically, the problem has grown far worse since the other place resolved to eliminate it and since that great conference was held to design the elimination of poverty.

According to Campaign 2000, the number of poor children in Canada is worse now by 58 per cent. The number of children in families experiencing long-term unemployment is worse by 47 per cent. The number of children in families needing social assistance is worse by 68 per cent. The number of children in lone-parent families is worse by 64 per cent.

Honourable senators, these statistics serve as a wake-up call. They jolt us out of our complacency, out of our belief that all is well because the United Nations tells us that Canada is the best place in which to live. Although in many respects I believe this to be true, we must acknowledge that not everyone in our society enjoys the same level of safety, security and stability.

I refer to the statistics not for political purposes but because so much of this statistical evidence impacts directly on the security of the family.

That is why I welcomed Senator Carstairs's inquiry to make us more aware of the issue of family violence in Canada and the need to work collaboratively toward solutions. It was only fitting that she began the debate on the anniversary of the massacre in Montreal of 14 young women.

Opening the inquiry, Senator Carstairs said that we live in a society that is increasingly concerned with issues of violence. "Family violence" is characterized by the Muriel McQueen Fergusson Foundation as:

...the most insidious, widespread disease of our society. It is largely under-reported. It cuts across all levels of society. The problem knows no boundaries, respects no religious, ethnic or income group. Victims of family abuse are those people in our society who are the most vulnerable — children, women, the elderly and the disabled. In many of Canada's communities, a person is more likely to be assaulted in their home by a family member than on the street by a stranger. For a high percentage of Canadians their homes are not functioning as safe havens and the ideal image of the family is a myth.



While Senator Carstairs' presentation describes in vivid depth the nature of family violence in Canada, I would like to use my time to focus on the sheer magnitude of the problem. Family violence is all too prevalent in Canada. Consider the following startling statistics:

One-half of all Canadian women have experienced at least one incident of violence since the age of 16. Approximately 29 per cent of ever-married women have been physically assaulted by their spouses. One-half of these women were severely assaulted.

In terms of child abuse, children make up 24 per cent of the Canadian population and were the victims in 22 per cent of all violent crimes. Sixty per cent of police-reported sexual assaults were against children, one-third of which occurred at the hands of a family member.

Abuse does not stop with age. Ninety-one per cent of reported crimes against older persons committed by family members were physical assaults. Older women continue to be abused by their partners as they age. Older women were most often victimized by a spouse, while for older men the accused was most often an adult child.

Family violence often turns deadly. Of all the homicides committed between 1977 and 1996, one-third of the victims were related to their killers. Almost one-half of family homicides involved spouses. Men have been more likely than women to kill their spouses. For example, 1,525 wives were killed by their husbands compared with 513 husbands killed by their wives. In 22 per cent of the incidents, a child was killed by a parent, while 10 per cent of the victims were parents killed by a child.

Some kids abuse their parents. Current research finds that between 7 and 12 per cent of children under 18 years of age have attacked their parents. Approximately 3 per cent have resorted to using guns and knives during their assaults.

Honourable senators, violence against women and children in my province of New Brunswick is also all too prevalent. Recent figures revealed that New Brunswick police responded to 866 incidents of violence against women and 291 incidents of child abuse. Between 1993 and 1996, violent attacks against women rose by a disturbing 21 per cent. It is also important to recognize that women and children experience different types of violence. Seventy-nine per cent of all reported incidents of violence against women were common assaults, whereas 51 per cent of child abuse incidents were sexual assaults.

New Brunswick court data reveals that of the 590 charges related to violence against women which came to court in 1996, 55 per cent resulted in guilty findings, 5 per cent resulted in not-guilty findings, and the rest were either withdrawn, dismissed or were outstanding at the end of the year.

Of the 157 charges related to child abuse which came to court in 1996, 50 per cent resulted in guilty findings, 3 per cent resulted in not-guilty findings and the rest were either withdrawn, dismissed or were outstanding at the end of the year.

Researchers at the Muriel McQueen Fergusson Centre for Family Violence Research have concluded research on the extent of sex offences and the nature of sex offenders in New Brunswick. Their study found that in 1994, while New Brunswick's reported rate of sexual assaults was higher than the national average, the number of cases actually solved by police forces was lower. More than one-half of the sex offences occurred within the family.

Honourable senators, statistics are only one side of the family violence story. The other aspect of family violence is difficult to capture with statistics. For example, children who witness parental violence may be as severely affected as children who are the direct victims of physical or sexual assault. Children who live with violence are more likely to experience fear, anxiety, confusion, anger and disruption in their lives. This, of course, is emotional abuse.

A girl who witnesses her mother being attacked by her father is learning about victimization. A boy who witnesses his father assaulting his mother is learning that violence is acceptable behaviour. Children who witness abuse are at greater risk of being abused themselves. As abused children get older, they may turn to alcohol, drugs, delinquency, violent crime, prostitution, and suicide.

People who work directly with teenage runaways and teenage prostitutes confirm that violence in the home forces many teenagers to leave. Of the 45,000 cases of child runaways reported to police in 1990, 90 per cent of the children were running from a violent home. For them, life on the street was safer than life at home.

The cycle of abuse can be broken. Not all victims of abuse go on to abuse. Victimization does not cause family abuse but it is a contributing factor. Studies that follow child victims of family violence through to adulthood show that approximately two-thirds manage to overcome their disadvantages and to lead productive and violence-free lives.

Senators Carstairs, Spivak and Andreychuk have already established that the problem of family violence is complex, frightening and costly. I have illustrated that it is widespread. We do not have all the answers we need to end the violence tomorrow. We have a very long way to go. We need to know more about this terrible social ill so that we can do more to prevent it and do more to cope with its serious repercussions.

•(1620)

Many agencies, individuals, foundations, and research centres are working diligently and are making a difference in the pressing search for solutions. We need only to look at the example of the Muriel McQueen Fergusson Foundation and the Muriel McQueen Centre for Family Violence Research based in New Brunswick. The foundation was established in 1985 as a charitable trust to fund family violence research projects and to sponsor public education programs. The foundation adopted the late Honourable Muriel McQueen Fergusson's name in recognition of her outstanding contribution over many years in the field of social action and justice. I personally hold great admiration for Senator Fergusson and think of her often as I go

about my duties in the Senate. She certainly is missed in our province. Today, I honour her calm and patient approach to action, her zeal for change and, most of all, her inspiration which resulted in the creation of the foundation and the centre which bear her name.

The foundation's goals include pursuing public education initiatives to change public attitudes and to increase understanding of the problem of family violence, supporting research into different aspects of family violence, and developing a national voice. Since its establishment in 1985, the foundation has made a difference in tackling family violence issues in New Brunswick through sponsoring or funding a variety of activities, including radio and television public awareness campaigns, organizing a national symposium on family violence, providing grants to various organizations for special programs, services and research projects, and establishing an award to recognize an individual or an organization whose actions have further advanced the elimination of family violence.

Importantly, the foundation established a \$2.5-million trust fund to support an Atlantic Centre for family violence research. The Muriel McQueen Fergusson Centre for Family Violence Research at the University of New Brunswick was established in 1992 following the approval of UNB's and the foundation's proposal for federal funding through the federal family violence initiative.

The centre is the only family violence research centre in the Atlantic region. Of the five research centres located throughout the country, it alone serves both official language communities. Its primary objective is the reduction and the ultimate elimination of family violence through academic and community collaborative research. This approach is unique in the sense that the users of the research are involved from its outset, resulting in research with practical applications.

Over 210 academic and community researchers are involved in 20 projects designed to offer practical, action-oriented ways to help end family violence. A particular focus of the research is family violence in rural areas, isolated communities, and culturally isolated groups.

Research teams are increasingly originating in locations around the Atlantic region and include groups based in P.E.I. and Newfoundland as well as the two francophone teams based in Moncton.

Ongoing research includes determining the needs of abused women in farm and rural communities, learning more about family violence in the Canadian military, developing ways in which churches might help to deal effectively with family violence, designing preventative strategies to eliminate sexual and gender harassment in educational institutions, as well as working on 16 other equally important research studies.

In addition to its research program, the centre is involved in a range of public education initiatives, training students in family violence research, and has developed a certificate program in family violence issues.

Honourable senators, the Muriel McQueen Fergusson Foundation and the Muriel McQueen Fergusson Centre for

Family Violence Research are at the forefront of the struggle in my region to explore family violence for what it really is — a societal problem. It is through both public awareness initiatives and research projects that these two related yet distinct organizations are making progress in finding ways to both prevent family violence and to help those who are its victims.

Although these particular organizations may be leading the fight in New Brunswick against family violence, they are joined in battle by other, though lesser-known, equally dedicated warriors. I will just mention four groups that are pursuing innovative initiatives. Men Against Sexual Aggression, MASA, is a group of UNB and Saint Thomas University male students who volunteer their time to help other men examine their attitudes about romantic relationships with women and to help prevent sexual aggression among students. Making Waves is a high school student retreat and workshop on dating violence. It brings together students and staff from high schools around the province for a weekend to help students become peer educators on dating violence for their schools. The Fredericton Sexual Assault Crisis Centre is the only service of its kind offered in our province for victims of sexual violence. It has been in existence since 1975 and offers a 24-hour, seven-day-a-week crisis telephone line, a dating violence prevention program, and a sexual assault counselling program. I also want to commend Caring Partnership Communities. It is a network of New Brunswick communities which, although individually involved in family violence awareness and prevention campaigns, rely on one another for support and guidance. Caring Partnership projects are an effective means to promote local community or grassroots responses to family violence issues and solutions.

**The Hon. the Speaker:** I regret to interrupt the honourable senator, but her 15-minute speaking period has expired.

**Senator Robertson:** May I have one minute longer?

**The Hon. the Speaker:** Is leave granted?

**Hon. Senators:** Agreed.

**Senator Robertson:** Honourable senators, at times, it seems that ending family violence is too much to hope for, and it just might be. However, I take encouragement from the work and the examples being set by the groups that I have singled out this afternoon. I want to believe that progress is being made in our ability to recognize and deal with the problems of family violence.

I know we will not see an end to family violence until we recognize that every one of us has a role to play. We cannot leave it entirely up to others to shoulder the burden, not to governments, not to foundations, not to research centres, and not to corporations with deep pockets. It is up to us as individuals to take responsibility for the elimination of family violence and to work in partnership with our institutions to rid our society of this serious social and criminal problem.

That is the lesson that Senator Muriel McQueen Fergusson taught us. If first we take personal responsibility, each of us can make an important difference. We need only look to her to see how the efforts of one person can change the lives of so many.



Again, I should like to thank Senator Carstairs for initiating this inquiry. I truly hope that this topic will not slide off the table once people have spoken to it in this chamber. I hope that we will be vigilant in keeping an eye on it.

Senator Carstairs, I wish you well with your western foundation and centre, and I agree that attention must be riveted on family violence if we are to make progress in eliminating it.

On motion of Senator Cools, debate adjourned.

### QUESTION OF PRIVILEGE

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, in rising to speak on this question of privilege, I wish to provide a bit of background on the matter.

An item is contained in the February 1999 Canadian edition of the *Hustler* magazine which concerns the Minister of Canadian Heritage, the Honourable Sheila Copps. This issue appeared on Canadian newsstands in the first week of January of this year. As honourable senators recall, the Senate adjourned on December 10 for its Christmas recess and did not resume until today. Rule 43(1)(a) of the *Rules of the Senate* provides that to be accorded priority, a question of privilege must be raised at the earliest opportunity. Having given the appropriate written notice earlier today and the appropriate oral notice, I submit that those criteria under our rules for questions of privilege have been met.

Honourable senators, it is not with pleasure or any degree of satisfaction that I rise to raise this matter of privilege. In doing so, inevitably I must bring attention to a crude and unacceptable publication, in my judgment, and I will speak more about that later. However, I wish to focus on how this relates to the proper functioning of Parliament, in particular the two Houses of Parliament.

In the issue of *Hustler*, Ms Copps is made the subject of an obscene contest. Readers are invited to write an essay about their sexual fantasies involving Ms Copps and to match Ms Copps to one of a series of lewd photographs. The magazine offers a free one-year subscription to the winner, whose answer will be published in the December 1999 edition.

Honourable senators, the question of privilege I am raising is not principally about what I judge to be personally offensive to an individual. As a private citizen, Minister Copps has the option of seeking damages and reparation for the action of this magazine, since what is written, in my judgment, can be construed as defamatory and libel under the common law.

Instead, I am raising this question of privilege on the grounds that this attack on Ms Copps is clearly a means to obstruct a member of Parliament of either house in the discharge of their duties, whether the duties are met in the other place or whether the duties are met in this place. I am cognizant of the fact that this particular publication relates to Ms Copps, that she is not a member of this house, and that a careful reading of the rules of the Senate speaks to the duty of every senator to preserve the privileges of the Senate and not necessarily the privileges of the other place.

Honourable senators, Ms Copps is a minister of the Crown. Ms Copps, as minister, introduced a government proposal to Parliament. Yes, it was first introduced in the other place, but we know that often government will first introduce its legislative proposals in the Senate. Indeed, we have several measures before us right now. The government is represented in this place by a minister. Therefore, what is before Parliament is not a private, personal piece of legislation of one member of one chamber; rather, it is a proposed legislative initiative by the government.

The initiative in this case is the government's legislative proposal contained in Bill C-55, relating to the issue of split-run editions. The point is that in the other House, the government has introduced a legislative proposal, and because of that, *Hustler* has made this lewd attack on the minister of the government, who brought forward that government initiative.

Honourable senators, we quite often examine legislative proposals that are before the other place prior to the other place having concluded a complete consideration to first, second, committee, and third reading stages. We often engage in pre-study. Therefore, the fact that Bill C-55 has yet to reach this chamber does not provide any defence for the counter-argument that no privilege of the Senate is in question because the bill is still in the other place. Thus the subject thereof could be considered by the Senate prior to it ever coming here.

I wish to return to the point that even though our rules speak of the duty of all senators to defend the privileges of the Senate and of senators, the fact that this attack and interference is perpetrated on a member of the other House, in my judgment, does not at all obviate our consideration of this matter as an interference with the privileges of this chamber.

During our proceedings, honourable senators may wish to express their views openly about this governmental initiative. I submit that some might be quite hesitant in expressing their views openly if they feel that they could be the subject of a lewd contest, as the minister is in this publication. I think that what has occurred may have happened without knowing the Canadian tradition of parliamentary democracy. The fact is that this is not the United States. We are all aware of the antics of Larry Flynt in the United States, the owner of *Hustler*, and the attack that he and the magazine are making on members of the United States Congress. They have another contest going on in the United States, and we must leave it to our friends in the republic to the south to deal with that matter.

In Canada, under our parliamentary system, we must ensure that measures brought before Parliament can be engaged in debate freely and openly. Indeed, the very word we use to describe our institution is Parliament, where we can freely speak our minds. One would be quite hesitant, I submit, to speak freely if this kind of threat to a senator or member of Parliament is there for all to see in *Hustler*.

Honourable senators, I hold that the attack on Ms Copps is really an attack on all parliamentarians who serve this institution on behalf of the people of Canada. The message is clear: If we do not like your politics or your views, we will single you out by making you the object of an obscene contest.

Honourable senators, if you turn to Erskine May's *Parliamentary Practice*, 22nd edition, on page 121, it states:

The House will proceed against those who obstruct Members in the discharge of their responsibilities to the House or in their participation in its proceedings.

•(1640)

On page 123, May further states:

To attempt to intimidate a Member in his parliamentary conduct by threats is also a contempt...

On page 124 it states:

Attempts by improper means to influence Members in their parliamentary conduct may be considered contempts.

Joseph Maingot, in *Parliamentary Privilege in Canada*, at page 235, emphasizes that:

Obstruction must be connected to parliamentary work... and be occasioned by improper means.

Maingot writes:

Therefore, all interferences with Members' privileges of freedom of speech, such as editorials and other public comment, are not breaches of privilege even though they influence the conduct of Members in their parliamentary work. Accordingly, not every action by an outside body that may influence the conduct of a Member of Parliament as such could now be regarded as a breach of privilege, even if it were calculated and intended to bring pressure on the Member to take or to refrain from taking a particular course.

This next statement is important. Maingot states:

But any attempt by improper means to influence or obstruct a Member in his parliamentary work may constitute contempt. What constitutes an improper means of interfering with Members' parliamentary work is always a question depending on the facts of each case. Finally, there must be some connection between the material alleged to contain the interference and the parliamentary proceeding.

Honourable senators, as I mentioned in my overview of these remarks, Minister Copps is the sponsor of Bill C-55, respecting advertising services supplied by foreign periodical publishers. Bill C-55 was given first reading in the House of Commons on October 8, 1998, and it is still before the other place.

Bill C-55 would make it illegal to solicit Canadian advertisers to place ads in split-run magazines; that is, Canadian editions of American publications that contain little editorial content from Canada.

If Bill C-55 were enacted, only Canadian periodical publishers would be able to sell their advertising services directed at the Canadian market. Failure to comply with Canadian law could

result in fines for individuals up to \$100,000 and for foreign corporations up to \$250,000 per infraction.

Honourable senators, there is a great deal of evidence that *Hustler* magazine opposes the contents of Bill C-55. The Canadian edition of *Hustler* is published by BRZ Publications Inc., in Saint-Jérôme, Quebec. Its advertising is organized by Northland Media Inc.

On September 17, 1994, *The Globe and Mail* carried an article which read:

Ottawa shuts out U.S. sex magazine: Split-run edition of *Hustler* contravenes policy of protecting domestic industry.

The article went on to state:

Revenue Canada has blocked a Canadian split-run edition of *Hustler*, the full-frontal U.S. sex magazine. Plans for the magazine were being organized this summer by The Northland Group Inc., an Oakville, Ontario company set up this summer to attract local advertisers. "We've just been told we're not allowed. Now I'm out of a job", said a Northland spokesman who asked not to be identified.

With respect to the February 1999 edition of *Hustler*, the national and international media has certainly drawn a link between this article in *Hustler* and Minister Copps' stand on Bill C-55. A newswire story in the final edition of the *Calgary Herald* dated January 13, 1999, states:

What's new: Hardcore *Hustler* magazine has launched an attack on Heritage Minister Sheila Copps over her stand against split runs by U.S. based publications.

*The Toronto Sun*, in its January 14, 1999 edition, quotes Liberal MPP Dominic Agostino as saying:

*Hustler* is trying to "politically blackmail" Copps, who is poised to bring in tough new regulations on American magazines.

On January 15, the *Boston Globe* carried the headline:

US-Canada rift imperils trade pacts.

The article went on to state:

Adding a sordid twist to the row, *Hustler* magazine, owned by Larry Flynt, published a raw "parody" of one of Canada's most outspoken critics of US trade policies, Heritage Minister Sheila Copps.

Honourable senators, I believe that it behoves BRZ Publications and those responsible for this improper attack on Ms. Copps to explain before a parliamentary committee why they chose to resort to these sexist tactics in their opposition to Bill C-55, as opposed to the acceptable Canadian ways of making their views known to Parliament.

This type of attack on one member of Parliament affects all parliamentarians. It could have a chilling effect on the work of all of us. Our work should not be obstructed or influenced by the improper means utilized by *Hustler* magazine.



Honourable senators, on a prima facie basis, I am convinced that the Canadian edition of *Hustler* has purposefully written this article in an attempt to intimidate both Houses of Parliament to do so in the first instance by this attack and attempt to intimidate the minister because of her introduction on behalf of the government of this bill and because, in their view, this bill is contrary to their selfish interests.

If Your Honour finds that there is a prima facie case of privilege, which I believe you will, I will be moving the appropriate motion. However, perhaps I should point out that it is for the Speaker simply to see and to find a prima facie case. The matter then goes to a committee, because it is the Senate who will decide on the substantive issue of whether there was an interference with parliamentary privilege.

I believe that a simple glance at the offending publication establishes to all that look at it that this is an attack on a minister. I do not necessarily agree with the views of this minister, but I will defend to the end the right of the minister to express her views in Parliament, as I will defend to the end the right of all members of both houses to openly, freely and without intimidation to act in the best interests of the Canadian people as they see it.

I invite honourable senators to examine this matter. I also invite Your Honour to determine that a prima facie case of breach of privilege pursuant to the *Rules of the Senate of Canada* has been apprehended.

**Hon. John B. Stewart:** Honourable senators, I should like to pose two or three questions of the honourable senator, if I may.

Am I correct in thinking that the senator is asserting that *Hustler* is a split-run magazine? If so, does he know the names of the Canadian advertisers who made use of this publication?

**Senator Kinsella:** Honourable senators, I do not know the names of the Canadian advertisers. Apparently, there is a company in Oakville, Ontario which tries to sell advertisements in Canada. It is my understanding that it meets the definition of a split-run magazine. However, I stand to be corrected in that regard. There is a publishing house in Saint-Jérôme, Quebec which is involved with the Canadian edition.

**Senator Stewart:** Honourable senators, the reason I ask whether it is a split-run magazine relates to the fact that, as I understand it, split-run magazines carry Canadian advertisements.

I should like to ask another question of the honourable senator. The gist of the argument that the honourable senator has made is that the publication of the article in question was intended to intimidate, conceivably, members of both Houses of the Parliament of Canada. Does the senator know if comparable examples of intimidation by such means have been dealt with by either House since World War II?

I believe there was a case in 1906. As I recall, the person alleged to have offended was found guilty and incarcerated, I believe in the Ottawa gaol. In London, of course, he or she would have been sent to the tower, but we do not have suitably uncomfortable accommodation. This question should be

answered before we go too far in the matter: What is our record and would we be consistent with our record on this matter if we went ahead, or if we did not go ahead?

I was quite impressed by the fact that the honourable senator did not give us any specific names. Conceivably, if it is decided that this is, indeed, a priori, a question of privilege, and that the privileges of the Senate have been offended, a person or persons will be arraigned before the bar of the Senate. I want to know who they are. I do not believe it is enough for us, even at this preliminary stage, to talk about the corporate person; it must be a natural person; that is, either the publisher in the United States or, presumably, the publisher's personification in Canada. If that information could be provided, it would be most helpful.

Can the senator provide that information now, or will he do so at a later time?

**Senator Kinsella:** Honourable senators, I do not know the names of the publishers in Canada. However, I am sure we can find that out very easily. I believe it appears on the inside of the magazine. Therefore, I do not believe it will be difficult for us to identify who is responsible. They can be found in Saint-Jérôme, Quebec, since that is where it is published.

**Senator Stewart:** Honourable senators, does the honourable senator know if, to this moment, a question of privilege relative to this publication has been raised in the other place? It may be that it has, which as a matter of practical importance, might mean that we do not wish to have two running at the same time.

I wish to say something else on this point. I do not wish to imply that if a question of privilege has not been raised in the other place that the honourable senator's question of privilege is invalid. Indeed, if it is demonstrable that the ostensible purpose of the publication was to intimidate members of either or both Houses then, indeed, it would look as if his charge has prima facie validity.

**Senator Kinsella:** Honourable senators, yesterday, I watched on television the entire proceedings of the House of Commons expecting, and I might say, hoping, that a question of privilege would be raised. They got tied up in their business. I cannot judge why they do what they do or do not do. I am also unaware if they are under the same time restraints as we are.

However, the fact of the matter is that it was not raised as a question of privilege in the other place, and this is the first opportunity for me to do so here. I agree with the senator's suggestion that the raising of a question of privilege as far as this chamber is concerned does not depend on whether it is done in the other place as well. Given the sobriety which permeates this place, perhaps it is much better that a question like this be addressed by the Senate.

The honourable senator asked me earlier if there were precedents for such a case as this. I could not find any comparable to this issue. In recent memory, we have had some dealings with allegations of slander. I believe Senator Carney raised a question of privilege a couple of years ago wherein a prima facie case was established. It went to committee. The committee reported back and did not find a question of privilege to be sustainable.

As far as an attack interfering with the movement of a piece of legislation through the legislative process, I do not believe there has been such a case. Usually, it involves a personal attack. As I said in my earlier remarks, I am not focusing on the personal attack. Indeed, I believe the minister was of the view that she would ignore it which, perhaps, is a good decision on her part.

In terms of an attempt to intimidate one of us by being made the subject of a lewd contest because of a position that we would adopt on something that is of self-interest to this particular magazine, in my view, it is a form of interference with the free exercise of our parliamentary responsibilities.

**Hon. Brenda M. Robertson:** Honourable senators, I am unclear on a couple of points in this regard. I believe that one point in particular requires further consideration. I have not read all of the editorials concerning this incident in the press, although I did scan one article. In that article, the publisher in Canada made it abundantly clear that the magazine was not affected by this legislation. However, I cannot confirm whether that is true. We may want to delve into this matter further to determine whether the split-run does impact this publication.

If the legislation does not affect this publisher, then I would turn my attention to another concern. I am reminded of an attack in the same vein on the daughter of a prime minister in *Frank* magazine. No voice was raised because he was an unpopular prime minister who was implementing miserable but necessary legislation and policy. I would be more upset if someone attacked my child with pornographic foolishness than if they attacked me.

In the search for an answer to this, or for justice, we must look at that precedent, because not one voice in Parliament at that time raised an objection to that insidious attack on Caroline Mulroney.

**Hon. Anne C. Cools:** Honourable senators, I would thank Senator Kinsella for bringing forward this question of privilege. In an era where many media feel so secure in Parliament's timidity of its own privileges, I commend Senator Kinsella for bringing forward this very important point. As you know, this is a subject matter that is close to my heart.

I would also commend Senator Robertson for raising the second issue, related as it is. That very offensive article in a particular magazine about Prime Minister Mulroney's daughter offended many of us.

The time has come for this jurisdiction, the Parliament of Canada, to begin to examine the question of its own privileges and Parliament's fitting response to many of these situations.

I do not read *Hustler* magazine, honourable senators. Therefore, when we received this notice at two o'clock this afternoon I very quickly tried to find some of the material. Nothing that Senator Kinsella has said reveals the full import of the pornography that was contained therein. It was an extremely shameful and offensive piece of — I do not want to say "journalism" or "literature," but a piece of pornography, at the risk of sounding repetitive.

We have been shirking our duty on many of these issues. Upon looking at the depiction of Minister Sheila Copps in this

magazine it becomes clear to those who have worked in forensic fields that the magazine exposed Minister Copps to the attention of sexual deviants. That is dangerous. It is dangerous to life and limb, not only reputation. I believe that these depictions could have the effect of placing the minister's life at risk. This is a matter which concerns us all. I believe it shames us all and, most important, it shames Parliament.

Senator Kinsella was diligent and most attentive to the possibility that Bill C-55 might be considered a bill of the House of Commons. I wish to put a few precedents on the record to assist His Honour in his considerations, bearing in mind that Senator Kinsella made his intervention today based on rule 43(1) which only speaks to our Speaker's role in making a finding of a *prima facie* case of privilege. As Senator Kinsella has said, the judgment as to whether the privileges of Parliament, and of the Senate in particular, have been breached, is a judgment to be made by the whole Senate.

Article 9 of the Bill of Rights of 1689 was the statute that settled the issue of Parliament's privileges. It states as follows:

That the Freedom of Speech, and Debates or Proceedings in Parliament, ought not to be impeached or questioned in any Court or Place out of Parliament.

It is clear that this particular citation speaks to Parliament as a whole.

Another precedent which I should like to place on the record is section 17 of the British North America Act which states:

There shall be One Parliament for Canada, consisting of the Queen, an Upper House styled the Senate, and the House of Commons.

My understanding of section 17 of the BNA Act is that the Parliament of Canada is indivisible. There is one Parliament; it is indivisible. It has two houses, but Parliament is indivisible.

As with any other bill, the "C" in Bill C-55 means only that it originated in the House of Commons. The fact that it is a bill means that it is a parliamentary instrument. A bill is the singular instrument which belongs to Parliament and to no one else. The fact that it originates in the House of Commons is an aside. It is a bill of the Parliament of Canada; proceeding in Parliament, but originating in the House of Commons, as it may just as easily have originated in this house.

It should also be pointed out that Canada has one cabinet, and that that cabinet is indivisible. We have one Minister of Canadian Heritage, and that is Minister Sheila Copps.

The problem with these sorts of debates is that they proceed quickly and with little notice. I apologize to Senator Kinsella that I cannot be more prepared and organized. I scrambled to assemble these notes in the last several moments.

I wish to place before honourable senators some understanding of what privilege is and what parliamentary privileges do, lest there be any misunderstanding that we are talking about perks or privileges in the mundane or even vulgar sense.



One can describe the law of parliamentary privilege as an ancient body of law which comprises the ancient and undoubted rights of Parliament. These are laws developed to serve the rights of the population. Parliamentary privileges are representative laws which ensure that Parliament is able to perform its representative duties and functions, thus providing its citizens with good representation and governance.

•(1710)

The law of parliamentary privilege developed in concert with representative government and its consequent responsible government. While the law is indeed ancient, and its history very complex, it is a living part of the daily work of Parliament. As part of the *lex et consuetudo parliamenti*, the laws of privilege are part of the general and public law of the land and so they should have been understood and known to *Hustler* magazine's owners and advertisers. I read in the last hour or so that certain small stores — I believe Becker's or Mac's — to their credit, very quickly pulled that particular edition of *Hustler* magazine off the shelves. Perhaps the leadership from here should commend them for what was indeed a most noble act, because, in point of fact, those store owners, those retailers, were observing the law of the land, to the extent that parliamentary privileges are a part of the law of the land.

I should like to share with honourable senators a quotation from a 1967 report of the Select Committee on Parliamentary Privilege of the House of Commons of the United Kingdom, which stated:

Insofar as the House claims and Members enjoy those rights and immunities which are grouped under the general description of "privileges," they are claimed and enjoyed...on behalf of the citizens whom they represent.

They are claimed on behalf of the citizens of Canada.

I should also like to share with colleagues a quotation from Viscount Kilmuir, a Lord Chancellor of the House of Lords of the United Kingdom, who said:

At no time has privilege been accorded as an end itself; it has never been, and is not now, designed to benefit M.P.s personally.

Honourable senators, the issue before us right now for determination is whether or not Senator Kinsella has made out a prima facie case that something wrong has happened or that Parliament's privileges have been breached. The remedies for findings of breach and the remedies for contempt are quite well known but the phase we are at now is we are asking the Speaker of the Senate to make a determination as to whether or not there is a prima facie case. I thought for that purpose perhaps I could share with colleagues the definition of "prima facie," because I have observed quite often, here and in the other chamber, that there seems to be enormous confusion as to what it is that the Speaker is being asked to determine.

I looked in *Jowitt's Dictionary of English Law*, one of the definitive dictionaries of law, and I looked up "prima facie" and

the meaning found at page 1422 is: "at first sight; on the face of it."

Then I went to *The Shorter Oxford English Dictionary*, and I looked there to see what prima facie means, and the definition is as follows: "At first sight; ...Arising at first sight; based on the first impression."

Our Speaker here today is not being asked to make a finding of a breach of privilege. Our Speaker here today is not being asked to determine whether or not the Senate's privileges have been breached. Our Speaker here today is being asked whether or not there is sufficient evidence at first sight to merit referring this matter to a committee for proper Senate investigation and study. That is the issue that is before us at this very moment.

In closing, I wish to say that I support Senator Kinsella's perception that a wrong has been committed. I also wish to note that although Senator Kinsella mentioned Bill C-55, he never put the actual name of the bill on the record. I wish to do that. Its title is "An Act respecting advertising services supplied by foreign periodical publishers." I wish also to state that Bill C-55 is a bill of the Parliament of Canada, and in point of fact, any proceeding about any bill, in the Senate or in the House of Commons, is a proceeding in Parliament. That is the language, "proceeding in Parliament."

Honourable senators, I would have loved some more time to prepare. However, I will close by asking His Honour to give this matter his most judicious consideration because the article itself is so offensive as to need no explanation. I should think that, at first blush, on its face, it is obviously an attempt to embarrass Minister Copps into submission. It is a technique that is used again and again in our community today. I can tell honourable senators that I have had first-hand experience with it. It is a raw and vulgar attempt to embarrass and offend.

**Hon. Joan Fraser:** Honourable senators, every member of both Houses must share Senator Kinsella's revulsion, and I am sure that is doubly true for all women members of both Houses. I am quite moved that this subject has been raised by a man.

I believe it is perhaps also worth saying that Ms Copps has responded to this grievous insult with admirable dignity and tremendous forbearance.

I have listened to my learned colleagues discuss parliamentary privilege, parliamentary tradition, the legal impact of the bill on the publisher, and the identity of advertisers. Those are all valid questions, but I do not think we have yet addressed an equally valid question, which is that of freedom of expression, freedom of the press, freedom of speech.

Freedom of speech is not constitutionally protected in order to provide comfort for the respectable. The respectable do not need that protection. *Hustler* is, God knows, not a respectable publication. It is an utterly loathsome publication, and what it has done in this case is utterly loathsome. However, it seems to me that whenever we go into public life, and particularly when we come to Parliament, we must all be aware that we may be the targets of vicious personal attack. That is the price we pay for living in a democracy. It is a price I believe most of us gladly pay. In this chamber we are less liable than those in the other

place. Nonetheless, we should all know, as we walk through those gates on Wellington Street, that it goes with the territory. It goes with the territory because, in a democracy, we believe in vigorous debate, and vigorous debate sometimes gets carried to extremes.

•(1720)

I do not in any way defend this particular extreme. However, we do have laws to control the general operation of the press. There are libel laws. There are laws against hate propaganda. They are good laws, and they stand to protect every citizen of Canada, not only those of us in this place.

I believe that to argue that the privileges of Parliament must extend to comment, however loathsome, in a legal publication would be a terrible precedent for us to set. I think it would be claiming that we have privileges beyond those accorded to the citizens we are supposed to serve in this place. I would be very distressed to see us set such a precedent.

**Senator Stewart:** May I ask the honourable senator a question? An interesting argument has been made, with far-reaching implications. The honourable senator seems to be implying that parliamentarians should rely upon the same laws and sanctions as one off the Hill, beyond the Wellington Street gate, as she says. I am trying to imagine the court scene where civil action is taken against whoever publishes and distributes *Hustler*. Will it be a class action by all members of the two Houses? How will it proceed? Is the honourable senator saying, in effect, that it would be so difficult that it would not proceed and that that would be a good thing?

**Senator Fraser:** I was not suggesting a class action, senator. I was suggesting that this particularly loathsome exercise of freedom of speech is something for which we should sit still and bite our lips.

**Senator Stewart:** In all similar cases?

**Senator Fraser:** I believe one of the precedents cited earlier suggested that all such cases should be judged on a case-by-case basis. When freedom of speech and freedom of expression are involved, I believe we should err on the side of caution in asserting our privileges.

**Senator Stewart:** Honourable senators, the honourable senator is not making a categorical, emphatic statement, but stating that each situation should be dealt with on its own merits. Presumably, that is why Senator Kinsella raised this with the Speaker of the Senate. If it gets beyond the prima facie test, which is a subjective test by the Speaker of the Senate guided by precedents, then it will come forward as one of your cases on a case-by-case basis to be dealt with by the committee.

In other words, the honourable senator is not saying that there is no defence by the Senate or the House of Commons of its immunity from scandalous, loathsome attack, but that this is one of those case-by-case instances to be dealt with according to our normal procedures.

**Senator Fraser:** I am saying that the simple quality of being scandalous, loathsome, vulgar, and generally detestable does not

meet the prima facie test. I am saying that the assault on our privilege would have to be more grave than that to make that test.

**Senator Stewart:** That was not the basis of your argument before.

**Senator Cools:** Would the honourable senator accept another question?

**Senator Fraser:** Certainly.

**Senator Cools:** In December 1976, there was a finding of a breach of privilege made in the House of Commons. As a journalist, I believe the honourable senator is well acquainted with that. I do not remember the exact date, but it was in late December. It seems to me the motion on the breach of privilege was moved by Allan McEachen. I do not have it in front of me, so I am pulling this from memory, but it seems to me the finding was made against *The Globe and Mail* or the editors of *The Globe and Mail* because of remarks that were made about the Speaker of the House of Commons, whom I believe was James Jerome. I wonder if the senator could tell me whether that was a fitting use of Parliament's privileges at that time?

**Senator Fraser:** I am sorry that I do not recall the case clearly enough to have a judgment on it today. I do remember a case in which the newspaper where I formerly worked, *The Gazette of Montreal*, was at risk of being summoned to the Commons on an issue that now escapes me. I am quite sure that there was no serious outcome of that particular case. My very frail recollection, however, is that the issue in question was substantively more serious than pure insult of a member of Parliament.

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Your Honour, I do not envy you in having to make a judgment on this particular issue. It is quite clear that what we have before us is a very offensive article. Like most of you, perhaps not all of you, I have not read it. I have, however, read about it. You, sir, and your staff will be forgiven for going and buying a copy of it on the basis that you will probably need such a copy in order to develop your reasoning for this particular decision.

Yes, it is highly offensive. I must say that when you read something like that, you tend to think upon your own experiences as a female politician and wonder what was comparable. I do remember receiving a card shortly after I was elected to the Manitoba legislature. The front of the card said, "What is an eight-letter word for what you need?" I opened it, and inside it said, "A good lay." It is that kind of offensive thing that happens to female politicians in particular, I would suggest, that makes you feel a great deal of passionate concern for Ms Copps. I was therefore pleased that Senator Kinsella focused today not on the insult done against her personally but against all of our privileges as parliamentarians.

A prima facie case, as Senator Cools has so clearly put, at first glance or at first sight, would be whether our privileges have been so jeopardized that we can balance that with the very strong arguments put forward by Senator Fraser, the issues of freedom of speech. It is a Solomon-like task, Your Honour, that we are asking you to undertake.



There are two sections of Beauchesne which I think are somewhat relevant, and they are sections 93 and section 99. Section 93 reads:

It is generally accepted that any threat, or attempt to influence the vote of, or actions of a Member, is breach of privilege.

Section 99 states:

Direct threats which attempt to influence Members' actions in the House are undoubtedly breaches of privilege.

Therefore, the decision to be made is whether this was, in any way, a direct threat. Was this an attempt to influence the vote? That, sir, is the decision you must make.

•(1730)

However, I think it is clear from the behaviour of Minister Cops that she is not responding to the threat, nor will it in any way influence her vote.

The issue before us, therefore, is a difficult one. It is one of those issues in which your head says one thing — at least mine does to me — and your heart says something entirely different. However, I would have to go with my head and say that, in my view, it is not a *prima facie* case.

**The Hon. the Speaker:** If no other honourable senator wishes to participate in the debate, I wish to thank those who have participated. This is a very difficult issue, as questions of privilege usually are, and I will take the matter under advisement.

I might say to the Honourable Senator Kinsella that I have not read anything about this matter. Does he have a copy of the article?

**Senator Kinsella:** Honourable senators, a copy of the publication in question is available from the Library of Parliament.

**Senator Cools:** I would be happy to table what I have here, honourable senators.

**The Hon. the Speaker:** I will obtain it from the library. The matter is under advisement, and I shall report as soon as I can.

## HISTORY OF THE CHINESE IN CANADA

### INQUIRY

**Hon. Vivienne Poy** rose pursuant to notice of December 8, 1998:

That she will call the attention of the Senate to the history of the Chinese in Canada.

She said: Honourable senators, I speak today about a group of Canadians who, over a period of 211 years, helped to build this

great country. It is the story of the Chinese Canadians. I will start with a mystery story and go on to what happened before and after the Chinese Exclusion Act of 1923, and to the end of legal discrimination.

The first Chinese arrived in British North America in 1788, brought by John Meares from the Portuguese colony of Macao in South China, where Meares was selling fur pelts to Chinese merchants for use in mandarins' robes. The group consisted of 50 to 70 labourers, carpenters and shipwrights. They arrived in Nootka Sound, Vancouver Island, in early June. While Meares continued trading southward, the Chinese shore party set to work constructing a small schooner, the *North West America*, and building a two-storey fort.

Spain disputed Meares' land grant by virtue of prior discovery, attacked the fort and seized the *North West America* and other ships. The fate of the Chinese carpenters and shipwrights was a mystery. According to some accounts, they were captured by Spaniards and taken to Mexico. Other reports indicated that they lived with the Nootka people, and then moved inland with native wives to begin their own settlement. Whatever the case, within a generation or two their identities were lost. Another 70 years were to pass before the Chinese appeared again in British North America.

Before the Chinese Exclusion Act of 1923: Despite a decree issued in 1712 by the Ch'ing Emperor K'ang-hsi that anyone who intended to stay abroad should be summoned back and beheaded, the Chinese emigrated en masse by the middle of the nineteenth century because of the population explosion in South China and peasants who had trouble in Guangdong province. Up to 90 per cent of the peasants lost their land. Since there was no industrialization in China, the surplus landless population had to look elsewhere to seek economic opportunities.

With the abolition of the slave trade in Europe, European colonists badly needed labourers to work in their colonies. In China, the declining Manchu government of the Ch'ing Dynasty was forced by the European powers to open treaty ports. The commissioners of Great Britain and France pressed for legislation with respect to the emigration of coolie labour. In order to stop the kidnapping of Chinese men by coolie crimps along the coast of Guangdong, emigration was regulated. However, the kidnapping continued.

The discovery of gold in California, and later in British Columbia and Australia, gave great impetus for Chinese men to emigrate. In the first eight months of 1850, 50,000 Chinese men emigrated to California. In 1858, with news of the discovery of gold along the Fraser River, thousands of Chinese moved north into British Columbia from San Francisco. Those who came as gold miners did not realize that the Chinese were not allowed to work the mines until the white miners had moved on.

In British Columbia, when the individual miners left and the "rush" was over, they were replaced by mining companies, many of them Chinese. Many Chinese also went into service industries for the mining towns. Victoria became the main centre for Chinese immigrants in North America.

At that time, Canada did not exist as a country, and the Chinese, despite discrimination, had the same full legal rights as the white residents. The Aliens Act of 1861 provided that the aliens, resident for three years within the colony who took the oaths of residence and allegiance, had the rights of British subjects.

In 1860, the London *Times* wrote that:

...no distinctions —

— were —

— made against them —

— that is, the Chinese —

— in these colonies... the great bulk of the population is very glad to see them coming into the country...

An article in the *Victoria British Colonist* in 1861 stated:

We have plenty of room for many thousands of Chinamen... there can be no shadow of a doubt but their industry enables them to add very largely to our own revenues...

However, agitation against the Chinese began when B.C. began to experience economic hardships. By 1866, good claims in placer mining were difficult to find, and the Chinese were frequently perceived as competitors who were willing to undercut white miners' wages.

On July 20, 1871, British Columbia became a province of Canada. In its first session after joining Confederation, the province passed an amendment to the Qualifications of Voters Act to disenfranchise Chinese and Indian voters. Even though the Chinese were not removed from the voters' list until 1875, in January 1873 they were prevented from voting in Nanaimo by being physically barred from the polling stations. The *Colonist* applauded the act as sensible, and referred to the Chinese as "heathen" slaves who had no right to stand side by side with other Canadians at the ballot box. This event, honourable senators, happened 13 years after the birth of the first Chinese in Canada.

In May 1873, the first anti-Chinese society was established in Victoria.

Up to the end of the 1870s, the federal government did not heed the anti-Chinese petition from British Columbia. Sir John A. Macdonald told the members of Parliament from British Columbia that if they wanted the railway, they would have to accept Chinese construction workers.

The Leader of the Opposition, Alexander MacKenzie, stated:

...the principle that some classes of human family were not fit to be residents...would be dangerous and contrary to the Law of Nations and the policy which controlled Canada.

Canada had become dependent on the Chinese as a cheap source of labour. Chinese workmen were paid \$1.35 per day, as compared to white workers at \$2 per day.

In order to adapt to a hostile environment, the Chinese mobilized whatever resources were available to them, including remote kinship ties, which helped in their survival in a foreign land, as well as in building ethnic businesses. Chinese culture played an important role in the adaptation and survival of these immigrants in Canada.

Between 1881 and 1884, Chinese labourers were hired to work building the Canadian Pacific Railway. Seventeen thousand Chinese arrived in Canada to fill the severe labour shortage during its completion. Chinese labourers were paid half the wages of white labourers. Railway contractors found them through Chinese companies that recruited them from China, Hong Kong and the United States. Henry Cambie, the surveyor and engineer for the CPR, described them as "trained gangs of rock men, as good as I ever saw."

Chinese labour was indispensable to the economic development of British Columbia, as shown in the royal commission of 1885.

•(1740)

According to Sir Matthew Begbie, Chief Justice of British Columbia:

I do not see how people would get on here at all without Chinamen. They do, and do well, what white women cannot do, and do what white men will not do.... They constitute three-fourths of the working hands about every salmon cannery; they are a very large majority of the labourers employed in gold mines; they are the model market gardeners of the province, and produce the greater part of the vegetables grown here; they have been found to be absolutely indispensable in the construction of the railway...

B.C. politicians were pressing the dominion government to act on what was defined as a public menace, the Chinese. Prime Minister Macdonald frankly told the House of Commons, in 1883:

It will be all very well to exclude Chinese labour when we can replace it with white labour, but until that is done, it is better to have Chinese labour than no labour at all.

This proved that legislative control of Chinese immigration was inevitable the moment the CPR was completed.

Many people died building the railway. On the 350 miles connecting British Columbia to the rest of Canada alone, 700 Chinese people died. This means that two Chinese workers died for every mile of the railway. Life was terrible. Accidents were frequent. Living conditions were so poor that no medical attention was given to the Chinese. Winter was particularly harsh for these men from southern China who were not prepared for the cold. There were reports of epidemics and scurvy killing hundreds along the railway. When work was completed on one section in the Fraser Canyon, Chinese workers were fired, leaving them in destitution, in towns along the tracks.



With the completion in 1885 of the CPR, thousands of Chinese were out of work. Many headed towards the Prairies and Eastern Canada. A thousand went back to China. Most stayed in B.C. In the same year, the federal government passed the Chinese Immigration Act, imposing a \$50 head tax, with few exceptions, on every person of Chinese origin entering this country. The tax was increased to \$100 in 1900.

According to the Royal Commission of 1902 on the question of Chinese and Japanese immigration, it was decided that no head tax was to be imposed on the Japanese, and the head tax on the Chinese was increased to \$500.

From the very beginning until after the Second World War, the Chinese remained marginal in Canadian society. The removal of citizenship rights, their exclusion from immigration and the restrictions on occupational competition were legally sanctioned by the state and were formally institutionalized.

Chinese exclusion had inadvertently benefited many interest groups and became a means for consolidated union organizations, as well as winning political support.

Economic exclusion persisted until well after the Second World War. Opportunities were so limited that the Chinese started their own businesses to make a living and to provide employment for their own people. In 1895, the Chinese Board of Trade was formed in Vancouver.

In 1907, anti-Asian riots swept through Vancouver's Chinatown. The riots occurred when a branch of the Asiatic Exclusion League held a rally on the night of September 27. Speakers at the rally called for a white Canada. The fear of discrimination caused some Chinese to move east at the close of the 19th century. Most who settled in the prairie provinces and Eastern Canada became owners of small businesses and market gardens.

Wherever the Chinese went, discrimination followed. In 1882, a smallpox alarm in Calgary led to the destruction of Chinese laundries by a mob of 300. Over the next few decades, in three provinces, Chinese residents were disenfranchised, and restrictions were imposed on locations of Chinese laundries, while white residents complained that these laundries lowered the value of their properties.

In the Supreme Court appeals case, in 1914, *Quong-Wing v. The King*, on the prohibition of Chinese employees in hiring white women, Judge Davies ruled:

... the word as used in the statute... Chinamen as men of a particular race or blood... whether aliens or naturalized...

During the First World War, Chinese labour was again needed in this country. In 1917, employers in B.C., Alberta and Saskatchewan proposed importing Chinese workers to relieve the labour shortage. In the same year, the War-time Elections Act stripped the Chinese of the right to vote federally. In the final two years of the war, the Chinese employment situation improved

and the immigration level increased up to 4,000 annually. Chinese communities prospered.

At the end of the war, there was again alarm among the white population, not only because of the increase in immigration, but also because the Chinese were moving into new occupations, as well as land ownership and farm operations. Even Chinese-owned restaurants that served western-style foods were under attack.

I now turn to the Chinese Exclusion Act of 1923. By the early 1920s, the Canadian economy was in a recession as a result of the closure of many wartime industries, and war veterans returning looking for work. Again, resentment against the Chinese was high. The Canadian government passed the Chinese Immigration Act, in 1923, which stopped immigration from China for the next 24 years.

When the exclusion act went into effect on July 1, 1923, Dominion Day, Chinese Canadians called it "humiliation day," and refused to have anything to do with Dominion Day celebrations for many years.

During the depression, the Chinese in Alberta received relief payments of \$1.12 a week, less than half the amount paid to the rest of the population in need. Despite that, many prairie farming families owed their lives to the credits given to them by the Chinese store owners in their purchase of daily necessities during those difficult years.

Despite great adversity, the growth of ethnic businesses among the Chinese in the 1920s and 1930s reflected their successful attempt to establish an economic niche by avoiding competition with white workers and businesses.

During the Second World War, 500 Chinese men served in the Canadian army. Some became secret agents serving in the British Special Operations Executive, mainly in South East Asia where they worked behind enemy lines. An example was Douglas Jung, who in 1957 became the first Chinese-Canadian elected to the federal Parliament. Jung was born in Victoria, but his father had to register his birth with the Canadian immigration authorities. He was given a document with the words, "this certificate does not establish legal status in Canada."

When World War II broke out, Jung and his brothers enlisted. While one of Jung's brothers went into Normandy on D-day and another became a pilot with the RCAF, Jung was instrumental in gathering together from across Canada 12 Chinese Canadian soldiers who volunteered to serve in the Pacific. Their operation was so secret that only two senior Canadian officers at Headquarters, Pacific Command, knew of their existence. Their mission was given so little chance of success that it was code-named "Operation Oblivion."

•(1750)

The group served with great distinction and four of the 12 received military medals for bravery in the field. No other Canadian military formation had received such a high proportion of decorations.

Regarding the end of legal discrimination, at the end of World War II the Chinese Canadian veterans lobbied for the right to be recognized as Canadian citizens. The Chinese Exclusion Act was repealed in 1947, making it possible for the wives of Chinese Canadians, and their unmarried children under the age of 18, to immigrate to Canada. In the same year, they regained their right to vote. It was only the year before that the Chinese in B.C. were finally allowed to work in the professions as lawyers, accountants and doctors, et cetera.

When the Liberals took office in 1963, it was clear that Canada's immigration policies needed to be reworked to end discrimination. On October 1, 1967, under the government of Lester B. Pearson, a "points system" to Canadian immigration was introduced. This was the beginning of a new era of Chinese entries into this country, and more educated Chinese moved to Canada.

In 1971, the official national policy of multiculturalism was introduced, and Vancouver's Chinatown was designated a historic site. The Immigration Act of 1976, which came into force under Prime Minister Trudeau, further reflected changes in Canada's immigration policy which effectively brought about the end of institutional discrimination in Canada.

However, attitudes are much more difficult to change. In 1979, CTV aired the program, "Campus Give-away," accusing Canadian universities of accepting Chinese students with higher qualifications than white Canadian students, and thereby spaces in the area of higher education were being taken up by "foreign students." The program implied that students who looked Chinese were foreign, regardless of whether they were Canadian born, naturalized or visa students. This program sparked nationwide protests in the Chinese community and led to the formation of the Chinese Canadian National Council in 1984. The council then launched a campaign to get redress from the Canadian government for past payments of the head tax imposed on Chinese immigrants. The CCNC lobbied cabinet ministers and a rally was organized in Ottawa in 1992.

In a letter to six cultural communities, including Jewish, Chinese, German, Indian, Italian and Ukrainian, dated December 14, 1994, Secretary of State for Multiculturalism and the Status of Women, Sheila Finestone, stated that the government would not grant financial compensation for the requests made. However, an announcement was made for the establishment of the Canadian Race Relation Foundation to work towards the elimination of racial discrimination.

Government legislation can only establish legal parameters but has no control in the way people think, despite the fact that, since the 1950s, numerous Chinese Canadians have distinguished themselves in many fields and professions, both nationally and internationally, and Chinese businesses and investments have brought great prosperity to this country. In July, 1995, Deputy Mayor Carole Bell of Markham, Ontario, made inflammatory remarks that the residents of Markham were being driven out by

the Chinese and their businesses, which caused great furor in the Chinese community. Attitudes are difficult to change. The difference today is that when the Chinese move in, property prices go up.

The ancient Chinese book, *The Art of War*, written by Sun Zi approximately 3,000 years ago, said that it is more effective to attack the mind than to attack a city. In the same context, honourable senators, it is more effective to change people's attitudes towards racial discrimination through education than to change the laws of a country.

As a proud Canadian, I would call upon my honourable colleagues to work together towards this goal.

**The Hon. the Speaker:** If no other honourable senator wishes to speak, this inquiry shall be considered debated.

### ABORIGINAL PEOPLES

COMMITTEE AUTHORIZED TO MEET  
DURING SITTINGS OF THE SENATE

**Hon. Charlie Watt,** pursuant to notice of December 9, 1998, moved:

That the Standing Senate Committee on Aboriginal Peoples have power to sit at 4:00 p.m. on Tuesdays for the balance of the present session, even though the Senate may then be sitting, and that rule 95(4) be suspended in relation thereto.

**The Hon. the Speaker:** Is it your pleasure, honourable senators, to adopt the motion?

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** No.

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, there have been discussions on both sides on this particular issue, and we have consulted with Senator Watt. There is an agreement that the meeting time be changed from 4:00 to 5:00, and then I believe there would be unanimous support in the chamber for that decision.

**The Hon. the Speaker:** Is there unanimous agreement to change the wording of the motion from "4:00" to "5:00"?

Is it your pleasure, honourable senators, to adopt the motion as amended?

**Hon. Senators:** Agreed.

Motion, as amended, agreed to.

The Senate adjourned until Wednesday, February 3, 1999, at 1:30 p.m.





## **APPENDIX**

Officers of the Senate

The Ministry

Senators

(Listed according to seniority, alphabetically and by provinces)

Committees of the Senate



**THE SPEAKER**

THE HONOURABLE GILDAS L. MOLGAT

**THE LEADER OF THE GOVERNMENT**

THE HONOURABLE B. ALASDAIR GRAHAM, P.C.

**THE LEADER OF THE OPPOSITION**

THE HONOURABLE JOHN LYNCH-STANTON

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**OFFICERS OF THE SENATE****CLERK OF THE SENATE AND CLERK OF THE PARLIAMENTS**

PAUL BÉLISLE

**DEPUTY CLERK, PRINCIPAL CLERK, LEGISLATIVE SERVICES**

RICHARD GREENE

**LAW CLERK AND PARLIAMENTARY COUNSEL**

MARK AUDCENT

**USHER OF THE BLACK ROD**

MARY McLAREN

# THE MINISTRY

According to Precedence

(February 2, 1999)

The Right Hon. Jean Chrétien	Prime Minister
The Hon. Herbert Eser Gray	Deputy Prime Minister
The Hon. Lloyd Axworthy	Minister of Foreign Affairs
The Hon. David M. Collenette	Minister of Transport
The Hon. David Anderson	Minister of Fisheries and Oceans
The Hon. Ralph E. Goodale	Minister of Natural Resources and Minister responsible for the Canadian Wheat Board
The Hon. Sheila Copps	Minister of Canadian Heritage
The Hon. Sergio Marchi	Minister for International Trade
The Hon. John Manley	Minister of Industry
The Hon. Diane Marleau	Minister for International Cooperation and Minister responsible for Francophonie
The Hon. Paul Martin	Minister of Finance
The Hon. Arthur C. Eggleton	Minister of National Defence
The Hon. Marcel Massé	President of the Treasury Board and Minister responsible for Infrastructure
The Hon. Anne McLellan	Minister of Justice and Attorney General of Canada
The Hon. Allan Rock	Minister of Health
The Hon. Lawrence MacAulay	Solicitor General of Canada
The Hon. Christine Stewart	Minister of the Environment
The Hon. Alfonso Gagliano	Minister of Public Works and Government Services
The Hon. Lucienne Robillard	Minister of Citizenship and Immigration
The Hon. Fred J. Mifflin	Minister of Veterans Affairs and Secretary of State (Atlantic Canada Opportunities Agency)
The Hon. Jane Stewart	Minister of Indian Affairs and Northern Development
The Hon. Stéphane Dion	President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs
The Hon. Pierre Pettigrew	Minister of Human Resources Development
The Hon. Don Boudria	Leader of the Government in the House of Commons
The Hon. B. Alasdair Graham	Leader of the Government in the Senate
The Hon. Lyle Vanciel	Minister of Agriculture and Agri-Food
The Hon. Herb Dhaliwal	Minister of National Revenue
The Hon. Claudette Bradshaw	Minister of Labour
The Hon. Ethel Blondin-Andrew	Secretary of State (Children and Youth)
The Hon. Raymond Chan	Secretary of State (Asia-Pacific)
The Hon. Martin Cauchon	Secretary of State (Economic Development Agency of Canada for the Regions of Quebec)
The Hon. Hedy Fry	Secretary of State (Multiculturalism) (Status of Women)
The Hon. David Kilgour	Secretary of State (Latin America and Africa)
The Hon. James Scott Peterson	Secretary of State (International Financial Institutions)
The Hon. Ronald J. Duhamel	Secretary of State (Science, Research and Development) (Western Economic Diversification)
The Hon. Andrew Mitchell	Secretary of State (Parks)
The Hon. Gilbert Normand	Secretary of State (Agriculture and Agri-Food) (Fisheries and Oceans)



## SENATORS OF CANADA

## ACCORDING TO SENIORITY

(February 2, 1999)

Senator	Designation	Post Office Address
THE HONOURABLE		
Orville Howard Phillips	Prince	Alberton, P.E.I.
Herbert O. Sparrow	Saskatchewan	North Battleford, Sask.
Gildas L. Molgat, Speaker	Ste-Rose	Winnipeg, Man.
Edward M. Lawson	Vancouver	Vancouver, B.C.
Bernard Alasdair Graham, P.C.	The Highlands	Sydney, N.S.
Raymond J. Perrault, P.C.	North Shore-Burnaby	North Vancouver, B.C.
Louis-J. Robichaud, P.C.	L'Acadie-Acadia	Saint-Antoine, N.B.
Jack Austin, P.C.	Vancouver South	Vancouver, B.C.
Paul Lucier	Yukon	Whitehorse, Yukon
Willie Adams	Northwest Territories	Rankin Inlet, N.W.T.
Philip Derek Lewis	St. John's	St. John's, Nfld.
Reginald James Balfour	Regina	Regina, Sask.
Lowell Murray, P.C.	Pakenham	Ottawa, Ont.
C. William Doody	Harbour Main-Bell Island	St. John's, Nfld.
Peter Alan Stollery	Bloor and Yonge	Toronto, Ont.
Peter Michael Pitfield, P.C.	Ontario	Ottawa, Ont.
William McDonough Kelly	Port Severn	Mississauga, Ont.
Leo E. Kolber	Victoria	Westmount, Qué.
John B. Stewart	Antigonish-Guysborough	Bayfield, N.S.
Michael Kirby	South Shore	Halifax, N.S.
Jerahmiel S. Grafstein	Metro Toronto	Toronto, Ont.
Anne C. Cools	Toronto Centre	Toronto, Ont.
Charlie Watt	Inkerman	Kuujuuaq, Qué.
Daniel Phillip Hays	Calgary	Calgary, Alta.
Joyce Fairbairn, P.C.	Lethbridge	Lethbridge, Alta.
Colin Kenny	Rideau	Ottawa, Ont.
Pierre De Bané, P.C.	De la Vallière	Montréal, Qué.
Eymard Georges Corbin	Grand-Sault	Grand-Sault, N.B.
Brenda Mary Robertson	Riverview	Shediac, N.B.
Jean-Maurice Simard	Edmundston	Edmundston, N.B.
Michel Cogger	Lauzon	Knowlton, Qué.
Norman K. Atkins	Markham	Toronto, Ont.
Eitel Cochrane	Newfoundland	Port-au-Port, Nfld.
Eileen Rossiter	Prince Edward Island	Charlottetown, P.E.I.
Mira Spivak	Manitoba	Winnipeg, Man.
Roch Bolduc	Golfe	Ste-Foy, Qué.
Gérald-A. Beaudoin	Rigaud	Hull, Qué.
Pat Carney, P.C.	British Columbia	Vancouver, B.C.
Gerald J. Comeau	Nova Scotia	Church Point, N.S.
Consiglio Di Nino	Ontario	Downsview, Ont.
Donald H. Oliver	Nova Scotia	Halifax, N.S.
Noël A. Kinsella	New Brunswick	Fredericton, N.B.
John Buchanan, P.C.	Nova Scotia	Halifax, N.S.
Mabel Margaret DeWare	New Brunswick	Moncton, N.B.
John Lynch-Staunton	Grandville	Georgeville, Qué.
James Francis Kelleher, P.C.	Ontario	Sault Ste. Marie, Ont.
J. Trevor Eytton	Ontario	Caledon, Ont.
Wilbert Joseph Keon	Ottawa	Ottawa, Ont.
Michael Arthur Meighen	St. Marys	Toronto, Ont.
Normand Grimard	Québec	Noranda, Qué.

## ACCORDING TO SENIORITY

Senator	Designation	Post Office Address
THE HONOURABLE		
Thérèse Lavoie-Roux	Québec	Montréal, Qué.
J. Michael Forrestall	Dartmouth and Eastern Shore	Dartmouth, N.S.
Janis Johnson	Winnipeg-Interlake	Winnipeg, Man.
Eric Arthur Bertson	Saskatchewan	Saskatoon, Sask.
A. Raynell Andreychuk	Regina	Regina, Sask.
Jean-Claude Rivest	Stadacona	Québec, Qué.
Ronald D. Ghitter	Alberta	Calgary, Alta.
Terrance R. Stratton	Red River	St. Norbert, Man.
Marcel Prud'homme, P.C.	La Salle	Montréal, Qué.
Fernand Roberge	Saurel	Ville St-Laurent, Qué.
Leonard J. Gustafson	Saskatchewan	Macoun, Sask.
Erminie Joy Cohen	New Brunswick	Saint John, N.B.
David Tkachuk	Saskatchewan	Saskatoon, Sask.
W. David Angus	Alma	Montréal, Qué.
Pierre Claude Nolin	De Salaberry	Québec, Qué.
Marjory LeBreton	Ontario	Manotick, Ont.
Gerry St. Germain, P.C.	Langley-Pemberton-Whistler	Maple Ridge, B.C.
Lise Bacon	De la Durantaye	Laval, Qué.
Sharon Carstairs	Manitoba	Victoria Beach, Man.
Landon Pearson	Ontario	Ottawa, Ont.
Jean-Robert Gauthier	Ottawa-Vanier	Ottawa, Ontario
John G. Bryden	New Brunswick	Bayfield, N.B.
Rose-Marie Losier-Cool	New Brunswick	Bathurst, N.B.
Céline Hervieux-Payette, P.C.	Bedford	Montréal, Qué.
William H. Rompkey, P.C.	Newfoundland	North West River, Labrador, Nfld.
Lorna Milne	Ontario	Brampton, Ont.
Marie-P. Poulin	Northern Ontario	Ottawa, Ont.
Shirley Maheu	Rougement	Ville de Saint-Laurent, Qué.
Nicholas William Taylor	Sturgeon	Bon Accord, Alta.
Eugene Francis Whelan, P.C.	Western Ontario	Ottawa, Ont.
Léonce Mercier	Mille Isles	Saint Élie d'Orford, Qué.
Wilfred P. Moore	Stanhope St./Bluenose	Chester, N.S.
Lucie Pépin	Shawinigan	Montréal, Qué.
Fernand Robichaud, P.C.	New Brunswick	Saint-Louis-de-Kent, N.B.
Catherine S. Callbeck	Prince Edward Island	Central Bedeque, P.E.I.
Marisa Ferretti Barth	Repentigny	Pierrefonds, Qué.
Sister Mary Alice (Peggy) Butts	Nova Scotia	Sydney, N.S.
Serge Joyal, P.C.	Kennebec	Montréal, Qué.
Thelma J. Chalifoux	Alberta	Morinville, Alta.
Joan Cook	Newfoundland	St. John's, Nfld.
Archibald (Archie) Hynd Johnstone	Prince Edward Island	Kensington, P.E.I.
Ross Fitzpatrick	Okanagan-Similkameen	Kelowna, B.C.
The Very Reverend Dr. Lois M. Wilson	Toronto	Toronto, Ont.
Francis William Mahovlich	Toronto	Toronto, Ont.
Calvin Woodrow Ruck	Dartmouth	Dartmouth, N.S.
Richard H. Kroft	Winnipeg	Winnipeg, Man.
Marian Maloney	Surprise Lake-Thunder Bay	Etobicoke, Ont.
Douglas James Roche	Edmonton	Edmonton, Alta.
Joan Thorne Fraser	De Lorimier	Montréal, Qué.
Aurélien Gill	Wellington	Mashteuiatsh, Pointe-Bleue, Qué.
Vivienne Poy	Toronto	Toronto, Ont.



## SENATORS OF CANADA

## ALPHABETICAL LIST

(February 2, 1999)

Senator	Designation	Post Office Address
THE HONOURABLE		
Adams, Willie	Northwest Territories	Rankin Inlet, N.W.T.
Andreychuk, A. Raynell	Regina	Regina, Sask.
Angus, W. David	Alma	Montréal, Qué.
Atkins, Norman K.	Markham	Toronto, Ont.
Austin, Jack, P.C.	Vancouver South	Vancouver, B.C.
Bacon, Lise	De la Durantaye	Laval, Qué.
Balfour, Reginald James	Regina	Regina, Sask.
Beaudoin, Gérard-A.	Rigaud	Hull, Qué.
Berntson, Eric Arthur	Saskatchewan	Saskatoon, Sask.
Bolduc, Roch	Golfe	Ste-Foy, Qué.
Bryden, John G.	New Brunswick	Bayfield, N.B.
Buchanan, John, P.C.	Nova Scotia	Halifax, N.S.
Butts, Sister Mary Alice (Peggy)	Nova Scotia	Sydney, N.S.
Callbeck, Catherine S.	Prince Edward Island	Central Bedeque, P.E.I.
Carney, Pat, P.C.	British Columbia	Vancouver, B.C.
Carstairs, Sharon	Manitoba	Victoria Beach, Man.
Chalifoux, Thelma J.	Alberta	Morinville, Alta.
Cochrane, Ethel	Newfoundland	Port-au-Port, Nfld.
Cogger, Michel	Lauson	Knowlton, Qué.
Cohen, Erminie Joy	New Brunswick	Saint John, N.B.
Comeau, Gerald J.	Nova Scotia	Church Point, N.S.
Cook, Joan	Newfoundland	St. John's, Nfld.
Cools, Anne C.	Toronto Centre	Toronto, Ont.
Corbin, Eymard Georges	Grand-Sault	Grand-Sault, N.B.
De Bané, Pierre, P.C.	De la Vallière	Montréal, Qué.
DeWare, Mabel Margaret	New Brunswick	Moncton, N.B.
Di Nino, Consiglio	Ontario	Downsview, Ont.
Doody, C. William	Harbour Main-Bell Island	St. John's, Nfld.
Eyton, J. Trevor	Ontario	Caledon, Ont.
Fairbairn, Joyce, P.C.	Lethbridge	Lethbridge, Alta.
Ferretti Barth, Marisa	Repentigny	Pierrefonds, Qué.
Fitzpatrick, Ross	Okanagan-Similkameen	Kelowna, B.C.
Forrestall, J. Michael	Dartmouth and Eastern Shore	Dartmouth, N.S.
Fraser, Joan Thorne	De Lorimier	Montréal, Qué.
Gauthier, Jean-Robert	Ottawa-Vanier	Ottawa, Ont.
Ghitter, Ronald D.	Alberta	Calgary, Alta.
Gill, Aurélien	Wellington	Mashteuiatsh, Pointe-Bleue, Qué.
Grafstein, Jerahmiel S.	Metro Toronto	Toronto, Ont.
Graham, Bernard Alasdair, P.C.	The Highlands	Sydney, N.S.
Grimard, Normand	Québec	Noranda, Qué.
Gustafson Leonard J.	Saskatchewan	Macoun, Sask.
Hays, Daniel Phillip	Calgary	Calgary, Alta.
Hervieux-Payette, Céline, P.C.	Bedford	Montréal, Qué.
Johnson, Janis	Winnipeg-Interlake	Winnipeg, Man.
Johnstone, Archibald (Archie) Hynd	Prince Edward Island	Kensington, P.E.I.
Joyal, Serge, P.C.	Kennebec	Montréal, Qué.
Kelleher, James Francis, P.C.	Ontario	Sault Ste. Marie, Ont.
Kelly, William McDonough	Port Severn	Mississauga, Ont.
Kenny, Colin	Rideau	Ottawa, Ont.
Keon, Wilbert Joseph	Ottawa	Ottawa, Ont.

Senator	Designation	Post Office Address
THE HONOURABLE		
Kinsella, Noël A. ....	New Brunswick .....	Fredericton, N.B.
Kirby, Michael .....	South Shore .....	Halifax, N.S.
Kolber, Leo E. ....	Victoria .....	Westmount, Qué.
Kroft, Richard H. ....	Winnipeg .....	Winnipeg, Man.
Lavoie-Roux, Thérèse .....	Québec .....	Montréal, Qué.
Lawson, Edward M. ....	Vancouver .....	Vancouver, B.C.
LeBreton, Marjory .....	Ontario .....	Manotick, Ont.
Lewis, Philip Derek .....	St. John's .....	St. John's, Nfld.
Losier-Cool, Rose-Marie .....	New Brunswick .....	Bathurst, N.B.
Lucier, Paul .....	Yukon .....	Whitehorse, Yukon
Lynch-Staunton, John .....	Grandville .....	Georgeville, Qué.
Maheu, Shirley. ....	Rougemont .....	Ville de Saint-Laurent, Qué.
Mahovich, Francis William .....	Toronto .....	Toronto, Ont.
Maloney, Marian .....	Surprise Lake-Thunder Bay ..	Etobicoke, Ont.
Meighen, Michael Arthur .....	St. Marys .....	Toronto, Ont.
Mercier, Léonce .....	Mille Isles .....	Saint-Élie d'Orford, Qué.
Milne, Lorna .....	Ontario .....	Brampton, Ont.
Molgat, Gildas L. Speaker .....	Ste-Rose .....	Winnipeg, Man.
Moore, Wilfred P. ....	Stanhope St./Bluenose .....	Chester, N.S.
Murray, Lowell, P.C. ....	Pakenham .....	Ottawa, Ont.
Nolin, Pierre Claude .....	De Salaberry .....	Québec, Qué.
Oliver, Donald H. ....	Nova Scotia .....	Halifax, N.S.
Pearson, Landon .....	Ontario .....	Ottawa, Ontario
Pépin, Lucie .....	Shawinigan .....	Montréal, Qué.
Perrault, Raymond J., P.C. ....	North Shore-Burnaby .....	North Vancouver, B.C.
Phillips, Orville H. ....	Prince .....	Alberton, P.E.I.
Pitfield, Peter Michael, P.C. ....	Ontario .....	Ottawa, Ont.
Poulin, Marie-P. ....	Northern Ontario .....	Ottawa, Ont.
Poy, Vivienne .....	Toronto .....	Toronto, Ont.
Prud'homme, Marcel, P.C. ....	La Salle .....	Montréal, Qué.
Rivest, Jean-Claude. ....	Stadacona .....	Québec, Qué.
Roberge, Fernand .....	Saurel .....	Ville St-Laurent, Qué.
Robertson, Brenda Mary .....	Riverview .....	Shediac, N.B.
Robichaud, Fernand, P.C. ....	New Brunswick .....	Saint-Louis-de-Kent, N.B.
Robichaud, Louis-J., P.C. ....	L'Acadie-Acadia .....	Saint-Antoine, N.B.
Roche, Douglas James .....	Edmonton .....	Edmonton, Alta.
Rompkey, William H., P.C. ....	Newfoundland .....	North West River, Labrador
Rossiter, Eileen .....	Prince Edward Island .....	Charlottetown, P.E.I.
Ruck, Calvin Woodrow .....	Dartmouth .....	Dartmouth, N.S.
St. Germain, Gerry, P.C. ....	Langley-Pemberton-Whistler ..	Maple Ridge, B.C.
Simard, Jean-Maurice .....	Edmundston .....	Edmundston, N.B.
Sparrow, Herbert O. ....	Saskatchewan .....	North Battleford, Sask.
Spivak, Mira .....	Manitoba .....	Winnipeg, Man.
Stewart, John B. ....	Antigonish-Guysborough ....	Bayfield, N.S.
Stollery, Peter Alan .....	Bloor and Yonge .....	Toronto, Ont.
Stratton, Terrance R. ....	Red River .....	St. Norbert, Man.
Taylor, Nicholas William .....	Sturgeon .....	Bon Accord, Alta.
Tkachuk, David .....	Saskatchewan .....	Saskatoon, Sask.
Watt, Charlie .....	Inkerman .....	Kuujuuaq, Qué.
Whelan, Eugene Francis, P.C. ....	Western Ontario .....	Ottawa, Ont.
Wilson, The Very Reverend Dr. Lois M. ....	Toronto .....	Toronto, Ont.



# SENATORS OF CANADA

## BY PROVINCE AND TERRITORY

(February 2, 1999)

**ONTARIO—24**

Senator	Designation	Post Office Address
THE HONOURABLE		
1 Lowell Murray, P.C.	Pakenham	Ottawa
2 Peter Alan Stollery	Bloor and Yonge	Toronto
3 Peter Michael Pitfield, P.C.	Ontario	Ottawa
4 William McDonough Kelly	Port Severn	Missassauga
5 Jerahmiel S. Grafstein	Metro Toronto	Toronto
6 Anne C. Cools	Toronto Centre	Toronto
7 Colin Kenny	Rideau	Ottawa
8 Norman K. Atkins	Markham	Toronto
9 Consiglio Di Nino	Ontario	Downsview
10 James Francis Kelleher P.C.	Ontario	Sault Ste. Marie
11 John Trevor Eyton	Ontario	Caledon
12 Wilbert Joseph Keon	Ottawa	Ottawa
13 Michael Arthur Meighen	St. Marys	Toronto
14 Marjory LeBreton	Ontario	Manotick
15 Landon Pearson	Ontario	Ottawa
16 Jean-Robert Gauthier	Ottawa-Vanier	Ottawa
17 Lorna Milne	Ontario	Brampton
18 Marie-P. Poulin	Northern Ontario	Ottawa
19 Eugene Francis Whelan, P.C.	Western Ontario	Ottawa
20 The Very Reverend Dr. Lois M. Wilson	Toronto	Toronto
21 Francis William Mahovlich	Toronto	Toronto
22 Marian Maloney	Surprise-Lake-Thunder Bay	Etobicoke
23 Vivienne Poy	Toronto	Toronto
24		

## SENATORS BY PROVINCE AND TERRITORY

## QUÉBEC—24

Senator	Designation	Post Office Address
THE HONOURABLE		
1 Leo E. Kolber	Victoria	Westmount
2 Charlie Watt	Inkerman	Kuujjuaq
3 Pierre De Bané, P.C.	De la Vallière	Montréal
4 Michel Cogger	Lauzon	Knowlton
5 Roch Bolduc	Golfe	Ste-Foy
6 Gérard-A. Beaudoin	Rigaud	Hull
7 John Lynch-Staunton	Grandville	Georgeville
8 Jean-Claude Rivest	Stadacona	Québec
9 Marcel Prud'homme, P.C.	La Salle	Montréal
10 Fernand Roberge	Saurel	Ville de Saint-Laurent
11 W. David Angus	Alma	Montréal
12 Pierre Claude Nolin	De Salaberry	Québec
13 Lise Bacon	De la Durantaye	Laval
14 Céline Hervieux-Payette, P.C.	Bedford	Montréal
15 Shirley Maheu	Rougemont	Ville de Saint-Laurent
16 Léonce Mercier	Mille Isles	Saint-Élie d'Orford
17 Lucie Pépin	Shawinigan	Montréal
18 Marisa Ferretti Barth	Repentigny	Pierrefonds
19 Serge Joyal, P.C.	Kennebec	Montréal
20 Joan Thorne Fraser	De Lorimier	Montréal, Qué.
21 Aurélien Gill	Wellington	Mashteuiatsh, Pointe-Bleue, Qué.
22		
23		
24		

## SENATORS BY PROVINCE—MARITIME DIVISION

## NOVA SCOTIA—10

Senator	Designation	Post Office Address
THE HONOURABLE		
1 Bernard Alasdair Graham, P.C.	The Highlands	Sydney
2 John B. Stewart	Antigonish-Guysborough	Bayfield
3 Michael Kirby	South Shore	Halifax
4 Gerald J. Comeau	Nova Scotia	Church Point
5 Donald H. Oliver	Nova Scotia	Halifax
6 John Buchanan, P.C.	Nova Scotia	Halifax
7 J. Michael Forrestall	Dartmouth and Eastern Shore	Dartmouth
8 Wilfred P. Moore	Stanhope St./Bluenose	Chester
9 Sister Mary Alice (Peggy) Butts	Nova Scotia	Sydney
10 Calvin Woodrow Ruck	Dartmouth	Dartmouth

## NEW BRUNSWICK—10

THE HONOURABLE		
1 Louis-J. Robichaud, P.C.	L'Acadie-Acadia	Saint-Antoine
2 Eymard Georges Corbin	Grand-Sault	Grand-Sault
3 Brenda Mary Robertson	Riverview	Shediac
4 Jean-Maurice Simard	Edmundston	Edmundston
5 Noël A. Kinsella	New Brunswick	Fredericton
6 Mabel Margaret DeWare	New Brunswick	Moncton
7 Erminie Joy Cohen	New Brunswick	Saint John
8 John G. Bryden	New Brunswick	Bayfield
9 Rose-Marie Losier-Cool	New Brunswick	Bathurst
10 Fernand Robichaud, P.C.	New Brunswick	Saint-Louis-de-Kent

## PRINCE EDWARD ISLAND—4

THE HONOURABLE		
1 Orville Howard Phillips	Prince	Alberton
2 Eileen Rossiter	Prince Edward Island	Charlottetown
3 Catherine S. Callbeck	Prince Edward Island	Central Bedeque
4 Archibald (Archie) Hynd Johnstone	Prince Edward Island	Kensington



## SENATORS BY PROVINCE—WESTERN DIVISION

## MANITOBA—6

Senator	Designation	Post Office Address
THE HONOURABLE		
1 Gildas L. Molgat, Speaker	Ste-Rose	Winnipeg
2 Mira Spivak	Manitoba	Winnipeg
3 Janis Johnson	Winnipeg-Interlake	Winnipeg
4 Terrance R. Stratton	Red River	St. Norbert
5 Sharon Carstairs	Manitoba	Victoria Beach
6 Richard H. Kroft	Manitoba	Winnipeg

## BRITISH COLUMBIA—6

THE HONOURABLE		
1 Edward M. Lawson	Vancouver	Vancouver
2 Raymond J. Perrault, P.C.	North Shore-Burnaby	North Vancouver
3 Jack Austin, P.C.	Vancouver South	Vancouver
4 Pat Carney, P.C.	British Columbia	Vancouver
5 Gerry St. Germain, P.C.	Langley-Pemberton-Whistler	Maple Ridge
6 Ross Fitzpatrick	Okanagan-Similkameen	Kamloops

## SASKATCHEWAN—6

THE HONOURABLE		
1 Herbert O. Sparrow	Saskatchewan	North Battleford
2 Reginald James Balfour	Regina	Regina
3 Eric Arthur Berntson	Saskatchewan	Saskatoon
4 A. Raynell Andreychuk	Regina	Regina
5 Leonard J. Gustafson	Saskatchewan	Macoun
6 David Tkachuk	Saskatchewan	Saskatoon

## ALBERTA—6

THE HONOURABLE		
1 Daniel Phillip Hays	Calgary	Calgary
2 Joyce Fairbairn, P.C.	Lethbridge	Lethbridge
3 Ronald D. Gitter	Alberta	Calgary
4 Nicholas William Taylor	Sturgeon	Bon Accord
5 Thelma J. Chalifoux	Alberta	Morinville
6 Douglas James Roche	Edmonton	Edmonton

## SENATORS BY PROVINCE AND TERRITORY

## NEWFOUNDLAND—6

Senator	Designation	Post Office Address
THE HONOURABLE		
1 Philip Derek Lewis	St. John's	St. John's
2 C. William Doody	Harbour Main-Bell Island	St. John's
3 Ethel Cochrane	Newfoundland	Port-au-Port
4 William H. Rompkey, P.C.	Newfoundland	North West River, Labrador
5 Joan Cook	Newfoundland	St. John's
6		

## NORTHWEST TERRITORIES—1

THE HONOURABLE		
1 Willie Adams	Northwest Territories	Rankin Inlet

## YUKON TERRITORY—1

THE HONOURABLE		
1 Paul Lucier	Yukon	Whitehorse

## DIVISIONAL SENATORS

Senator	Designation	Post Office Address
THE HONOURABLE		
1 Normand Grimard .....	Québec .....	Noranda, Qué.
2 Thérèse Lavoie-Roux .....	Québec .....	Montréal, Qué.



**ALPHABETICAL LIST OF STANDING, SPECIAL AND JOINT COMMITTEES**  
(As of February 2, 1999)

\*Ex Officio Member

**ABORIGINAL PEOPLES**

<b>Chairman:</b>	<b>Honourable Senator Watt</b>	<b>Deputy Chairman: Honourable Senator Johnson</b>	
Honourable Senators:			
Adams,	Chalifoux,	Johnson,	Pearson,
Andreychuk,	Gill,	*Lynch-Staunton, (or Kinsella)	St. Germain,
Austin,	Graham, (or Carstairs)	Mahovlich,	Watt.
Berntson,			

*Original Members as nominated by the Committee of Selection*

*Adams, Andreychuk, Austin, Beaudoin, Doody, Forest, \*Graham (or Carstairs), Johnson  
\*Lynch-Staunton (or Kinsella, acting), Marchand, Pearson, Taylor, Twinn, Watt.*

**AGRICULTURE AND FORESTRY**

<b>Chairman:</b>	<b>Honourable Senator Gustafson</b>	<b>Deputy Chairman: Honourable Senator Whelan</b>	
Honourable Senators:			
Chalifoux,	Gustafson,	Rivest,	Spivak,
Fairbairn,	Hays,	Robichaud, (Saint-Louis-de-Kent)	Stratton,
*Graham, (or Carstairs)	Hervieux-Payette, *Lynch-Staunton, (or Kinsella)	Rossiter,	Taylor, Whelan.

*Original Members as nominated by the Committee of Selection*

*Bryden, Callbeck, \*Graham (or Carstairs), Gustafson, Hays, \*Lynch-Staunton (or Kinsella, acting),  
Rivest, Robichaud (Saint-Louis-de-Kent), Rossiter, Sparrow, Spivak, Stratton, Taylor, Whelan.*

**SUBCOMMITTEE ON BOREAL FOREST**  
(Agriculture and Forestry)

<b>Chairman:</b>	<b>Honourable Senator Taylor</b>	<b>Deputy Chairman: Honourable Senator Spivak</b>	
Honourable Senators:			
Chalifoux,	*Lynch-Staunton, (or Kinsella)	Robichaud, (Saint-Louis-de-Kent)	Stratton,
*Graham, (or Carstairs)		Spivak,	Taylor.

**BANKING, TRADE AND COMMERCE****Chairman:** Honourable Senator Kirby**Deputy Chairman:** Honourable Senator Tkachuk

Honourable Senators:

Angus, Hervieux-Payette,

Kolber, Stewart,

Austin, Kelleher,

\*Lynch-Staunton, Tkachuk.

Callbeck, Kenny,

(or Kinsella)

\*Graham, Kirby,

Meighen,

(or Carstairs)

Oliver,

*Original Members as nominated by the Committee of Selection**Angus, Austin, Callbeck, \*Graham (or Carstairs), Hervieux-Payette, Kelleher, Kirby, Kolber,**\*Lynch-Staunton (or Kinsella, acting), Meighen, Oliver, Stanbury, Stewart, Tkachuk.***ENERGY, THE ENVIRONMENT AND NATURAL RESOURCES****Chairman:** Honourable Senator Ghitter**Deputy Chairman:** Honourable Senator Taylor

Honourable Senators:

Adams, Fitzpatrick,

\*Graham, Kroft,

Buchanan, Ghitter,

(or Carstairs)

Lynch-Staunton,

Cochrane, Gustafson,

Hays,

(or Kinsella)

Fairbairn,

Kenny,

Spivak,

Taylor.

*Original Members as nominated by the Committee of Selection**Buchanan, Butts, Cochrane, Ghitter, \*Graham (or Carstairs), Gustafson, Hays, Kirby,**\*Lynch-Staunton (or Kinsella, acting), Spivak, Stanbury, Rompkey, Taylor, Watt.***FISHERIES****Chairman:** Honourable Senator Comeau**Deputy Chairman:** Honourable Senator Perrault

Honourable Senators:

Adams, \*Graham,  
(or Carstairs)Meighen, Robichaud,  
(Saint-Louis-de-Kent)Butts, \*Lynch-Staunton,  
(or Kinsella)

Perrault, Stewart.

Comeau,

Robertson,

Cook, Mahovich,

*Original Members as nominated by the Committee of Selection**Adams, Butts, Carney, Comeau, \*Graham (or Carstairs), Jessiman, Losier-Cool,**\*Lynch-Staunton (or Kinsella, acting), Meighen, Perrault, Petten,  
Robichaud (Saint-Louis-de-Kent), Rossiter, Stewart.*

## FOREIGN AFFAIRS

**Chairman:** Honourable Senator Stewart

Honourable Senators:

Andreychuk,	De Bané,
Bolduc,	Di Nino,
Carney,	Doody,
Corbin,	Grafstein,

**Deputy Chairman:** Honourable Senator Andreychuk

*Graham,	Stewart,
(or Carstairs)	Stollery,
Losier-Cool,	Whelan.
*Lynch-Staunton,	
(or Kinsella)	

*Original Members as nominated by the Committee of Selection*

*Andreychuk, Bacon, Bolduc, Carney, Corbin, De Bané, Doody, Grafstein, \*Graham (or Carstairs), \*Lynch-Staunton (or Kinsella, acting), MacDonald, Stewart, Stollery, Whelan.*

## INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

**Chairman:** Honourable Senator Rompkey

Honourable Senators:

Callbeck,	*Graham,
	(or Carstairs)
De Bané,	Kinsella,
DeWare,	LeBreton,
Di Nino,	Losier-Cool,
Forrestall,	

**Deputy Chairman:** Honourable Senator Nolin

*Lynch-Staunton,	Robichaud,
(or Kinsella)	(Saint-Louis-de-Kent)
Maheu,	Rompkey,
Nolin,	Stollery,
Poulin,	Taylor.

*Original Members as nominated by the Committee of Selection*

*Atkins, Callbeck, De Bané, DeWare, Di Nino, \*Graham (or Carstairs), Kinsella, LeBreton, \*Lynch-Staunton (or Kinsella, acting), Maheu, Nolin, Poulin, Robichaud (Saint-Louis-de-Kent), Rompkey, Stollery, Taylor, Wood.*

## LEGAL AND CONSTITUTIONAL AFFAIRS

**Chairman:** Honourable Senator Milne

Honourable Senators:

Andreychuk,	Eyton,
Beaudoin,	Fraser,
Bryden,	Grafstein,
Buchanan,	*Graham,
	(or Carstairs),

**Acting Deputy Chairman:** Honourable Senator Nolin

Joyal,	Moore,
*Lynch-Staunton,	Nolin,
(or Kinsella)	Pépin.
Milne,	

*Original Members as nominated by the Committee of Selection*

*Beaudoin, Cogger, Doyle, Gigantès, \*Graham (or Carstairs), Jessiman, Lewis, Losier-Cool, \*Lynch-Staunton (or Kinsella, acting), Milne, Moore, Nolin, Pearson, Watt.*



## LIBRARY OF PARLIAMENT (Joint)

**Chairman: Honourable Senator Corbin****Deputy Chairman:**

Honourable Senators:

Bolduc,	Grimard,	Poy,	Robichaud,
Corbin,	Kroft,		(L'Acadie-Acadia).

*Original Members agreed to by Motion of the Senate**Bolduc, Corbin, DeWare, Doyle, Gigantès, Grafstein, Robichaud (L'Acadie-Acadia).*

## NATIONAL FINANCE

**Chairman: Honourable Senator Stratton****Deputy Chairman: Honourable Senator Cools**

Honourable Senators:

Bolduc,	Ferretti Barth,	Lavoie-Roux,	Moore,
Cook,	Fraser,	*Lynch-Staunton,	St. Germain,
Cools,	*Graham,	(or Kinsella)	Stratton.
Eyton,	(or Carstairs)	Mahovlich,	
	Johnstone,		

*Original Members as nominated by the Committee of Selection**Bolduc, Cools, Eyton, Ferretti Barth, Forest, \*Graham (or Carstairs), Lavoie-Roux, \*Lynch-Staunton (or Kinsella, acting), Mercier, Moore, Poulin, St. Germain, Sparrow, Stratton.*

## OFFICIAL LANGUAGES (Joint)

**Chairman: Honourable Senator Losier-Cool****Deputy Chairman:**

Honourable Senators:

Beaudoin,	Gauthier,	Losier-Cool,	Robichaud,
Fraser,	Kinsella,	Rivest,	(L'Acadie-Acadia).

*Original Members agreed to by Motion of the Senate**Beaudoin, Gauthier, Kinsella, Losier-Cool, Pépin, Rivest, Robichaud (L'Acadie-Acadia)  
Robichaud (Saint-Louis-de-Kent), Simard.*

## PRIVILEGES, STANDING RULES AND ORDERS

**Chairman:** Honourable Senator Maheu

Honourable Senators:

Atkins, \*Graham,  
(or Carstairs)  
Bacon,  
DeWare, Joyal,  
Grafstein, Kelly,

**Deputy Chairman:** Honourable Senator Robertson

Kenny, Robertson,  
\*Lynch-Staunton, Rossiter,  
(or Kinsella) Sparrow,  
Maheu, Stollery.  
Milne,

*Original Members as nominated by the Committee of Selection**Bosa, Corbin, Doyle, Grafstein, \*Graham (or Carstairs), Grimard, Kelly, Lewis,**\*Lynch-Staunton (or Kinsella, acting), Maheu, Marchand,  
Milne, Pearson, Petten, Robertson, Rossiter.*

## SCRUTINY OF REGULATIONS (Joint)

**Chairman:** Honourable Senator Hervieux-Payette

Honourable Senators:

Grimard, Hervieux-Payette,

**Deputy Chairman:**

Kelly, Moore.

*Original Members as nominated by the Committee of Selection**Cogger, Ferretti Barth, Grimard, Hervieux-Payette, Kelly, Lewis, Mercier, Moore.*

## SELECTION

**Chairman:** Honourable Senator

Honourable Senators:

Atkins, Grafstein,  
DeWare, \*Graham,  
Fairbairn, (or Carstairs)  
Kinsella,

**Deputy Chairman:**

\*Lynch-Staunton, Pépin,  
(or Kinsella) Phillips,  
Mercier, Robichaud,  
(L'Acadie-Acadia).

*Original Members agreed to by Motion of the Senate**Atkins, Corbin, DeWare, Fairbairn, \*Graham (or Carstairs), Hébert, Kinsella,**\*Lynch-Staunton (or Kinsella, acting) Lewis, Phillips, Stanbury.*

### SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

**Chairman:** Honourable Senator Murray

**Deputy Chairman:** Honourable Senator

Honourable Senators:

Butts,	Gill,	Lavoie-Roux,	Maloney,
Cohen,	*Graham,	LeBreton,	Murray,
Cools,	(or Carstairs)	*Lynch-Staunton,	Phillips,
Ferretti Barth,	Johnstone,	(or Kinsella)	Poy.

*Original Members as nominated by the Committee of Selection*

*Bonnell, Bosa, Cohen, Cools, Forest, \*Graham (or Carstairs), Haidasz, Lavoie-Roux, LeBreton,*

*\*Lynch-Staunton (or Kinsella, acting), Maheu, Murray, Pépin, Phillips.*

### SUBCOMMITTEE ON VETERANS AFFAIRS (Social Affairs, Science and Technology)

**Chairman:** Honourable Senator Phillips

**Deputy Chairman:** Honourable Senator

Honourable Senators:

Cohen,	*Graham,	*Lynch-Staunton,	Phillips,
Cools,	(or Carstairs)	(or Kinsella)	Poy.
	Johnstone,		

### TRANSPORT AND COMMUNICATIONS

**Chairman:** Honourable Senator Bacon

**Deputy Chairman:** Honourable Senator Forrestall

Honourable Senators:

Bacon,	Fitzpatrick,	Johnson,	Perrault,
Buchanan,	Forrestall,	*Lynch-Staunton,	Poulin,
De Bané,	*Graham,	(or Kinsella)	Roberge,
	(or Carstairs)	Maheu,	Rompkey,
			Spivak.

*Original Members as nominated by the Committee of Selection*

*Adams, Atkins, Bacon, Buchanan, De Bané, Forrestall, \*Graham (or Carstairs), Johnson,*

*\*Lynch-Staunton (or Kinsella, acting), Mercier, Perrault, Poulin, Roberge, Rompkey*



**SUBCOMMITTEE ON COMMUNICATIONS**  
(Transport and Communications)

**Chairman:** Honourable Senator Poulin

**Deputy Chairman:** Honourable Senator Spivak

Honourable Senators:

Bacon,

Johnson,

Maheu,

Spivak.

\*Graham,  
(or Carstairs)

\*Lynch-Staunton,  
(or Kinsella)

Poulin,

**ON TRANSPORTATION SAFETY AND SECURITY**  
(Special)

**Chairman:** Honourable Senator Forrestall

**Deputy Chairman:** Honourable Senator Adams

Honourable Senators:

Adams,

\*Graham,  
(or Carstairs)

\*Lynch-Staunton,  
(or Kinsella)

Roberge,

Forrestall,

Johnstone,

Spivak.

*Original Members agreed to by Motion of the Senate*

*Adams, Bacon, Fitzpatrick, Forrestall, \*Graham (or Carstairs), Johnson,  
\*Lynch-Staunton (or Kinsella, acting), Mercier, Roberge.*

**SECURITY AND INTELLIGENCE**  
(SPECIAL)

**Chairman:** Honourable Senator Kelly

**Deputy Chairman:** Honourable Senator Bryden

Honourable Senators:

Andreychuk,

Corbin,

Kelly,

\*Lynch-Staunton,  
(or Kinsella)

Bryden,

Graham,  
(or Carstairs)

LeBreton,

Pépin,

Stollery.

*Original Members agreed to by Motion of the Senate*

*Andreychuk, Bryden, Corbin, Fitzpatrick, \*Graham (or Carstairs), Kelleher,  
Kelly, \*Lynch-Staunton (or Kinsella, acting) Stollery.*

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CANADA

# Debates of the Senate

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1st SESSION

• 36th PARLIAMENT

• VOLUME 137

• NUMBER 106

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OFFICIAL REPORT  
(HANSARD)

Wednesday, February 3, 1999

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THE HONOURABLE GILDAS L. MOLGAT  
SPEAKER





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(Daily index of proceedings appears at back of this issue.)

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## THE SENATE

Wednesday, February 3, 1999

The Senate met at 1:30 p.m., the Speaker in the Chair.

Prayers.

### THE LATE HONOURABLE PETER BOSA

#### TRIBUTES

**Hon. Consiglio Di Nino:** Honourable senators, unfortunately I was unable to participate yesterday in the tributes to my friend Peter Bosa. The weather conditions in Toronto made it impossible for me to arrive here on time.

My friendship with Peter goes back some three decades — way before either one of us was honoured with a summons to the Senate. Over the years, our paths crossed frequently — socially, politically, in business and, more particularly, in our community activities.

Peter was recognized, praised and rewarded for the many successes he achieved during his lifetime. He took immense pride in serving his adopted country here in the Senate of Canada. He loved being a senator, and he served exceptionally well.

Those of us who knew him a little better remember the total admiration and love Peter had for his wife, Teresa, his children, Angela and Mark, and most recently, his little grandson, Tommy. We recall the strength that he derived from them and how grateful he was for their guidance, encouragement and unstinting support.

Peter Bosa was a man I admired very much. He was a person of dignity and of gentlemanly behaviour. He was quiet but effective; he was fiercely partisan but fair; he was loyal, considerate and caring to a fault.

Peter Bosa was an example for all Canadians. He loved his country. He was dedicated to his job and to his community, and he put his family before all.

I thank him for his counsel, his guidance and his friendship. I, too, shall miss him. *Addio amico!*

• (1340)

**Hon. Lowell Murray:** Honourable senators, later this afternoon, the Standing Senate Committee on Social Affairs, Science and Technology will meet for the purpose of electing a new deputy chairman in place of our much-missed and much-loved colleague the Honourable Peter Bosa.

Upon assuming the chairmanship of this committee a couple of years ago, I was delighted to find that Peter Bosa would be the

deputy chairman. Our friendship goes back 35 years to the 1960s when we were both on Parliament Hill as political assistants for our respective parties. Throughout all of that time, we had come in contact on many occasions. I knew him as a person with a great love for his country and for the institutions of our democracy; a partisan, but always an intelligent and fair-minded partisan.

Those of us who attended Senator Bosa's funeral in Toronto just before Christmas were able to observe something of the high esteem in which he was held by his fellow citizens in the large turnout of people at the funeral.

Peter Bosa and I had a habit of wagering on elections. The first such wager was for the federal election of November 1965. The last such wager was for the federal election of 1997. It was made while we were both attending the official opening of the fixed link in Charlottetown, a few days before that election.

There are many reasons, official, political and personal, that cause me to have the greatest sadness at Peter Bosa's passing. I simply want to record my own sadness, and the appreciation of my colleagues on the Standing Senate Committee on Social Affairs, Science and Technology for his contribution to our deliberations there.

## SENATORS' STATEMENTS

### TRANSPORT

#### NEED TO INCREASE MINIMUM FLIGHT PATH ELEVATION OVER GULF ISLANDS, BRITISH COLUMBIA

**Hon. Pat Carney:** Honourable senators, on January 13, 1999, a DC-3 cargo plane flying from Vancouver to Victoria crashed into a residential area on Mayne Island, one of British Columbia's Gulf Islands. Sadly, both crew members were killed. Fortunately, the nearby house which was clipped by the plane on the way down was vacant at the time, and no one on the ground was killed.

This is not the first crash in the region. Three months ago, another cargo plane flying to Vancouver Island from Surrey crashed into Saltspring Island, killing its two pilots.

The Gulf Islands lie directly under the flight path between B.C.'s Lower Mainland and Vancouver Island, including Victoria. This is one of the most rapidly growing air travel routes in Canada, yet current regulations dictate that planes may fly as low as 500 feet over the southern Gulf Islands. By contrast, residential areas in many other parts of B.C. and Canada have a 1,000-foot minimum height with a 2,000-foot advisory height.



The Gulf Islands are home to many residential areas and are well populated, particularly during the summer months when thousands of tourists visit the islands to kayak, bicycle, hike and bird-watch. The islands are renowned for their unique natural environment, and are home to some of Canada's finest nature reserves. This special nature was recognized in 1974 under the B.C. government's Islands Trust Act.

Until recently, the Gulf Islands were also renowned for their tranquility. The increase in air traffic over the area at 500 feet has resulted in so much noise that residents cannot hear telephone conversations, and many tourists have said they will not come back.

For the past five years, John Terrett of Pender Island has been waging a campaign to change regulations on flight altitudes over the islands. The day after the crash on Mayne Island, my office delivered a petition to the office of the Honourable David Collett, Minister of Transport. The petition, which was circulated by Mayne Islanders Peter Wallbridge and John Terrett, argued for a much higher elevation, above 2,500 feet, to maintain a minimum level of peace and safety in the region. They also argued that all aircraft landing at the islands be required to approach over water, and that propeller-driven aircraft be required to use three-bladed propellers, a quieter system already used by float plane companies on the American west coast.

Many people signed this petition including many pilots. When sent to Minister Collett in January, over 1,100 islanders had signed on.

Honourable senators, I would like to take this opportunity to congratulate Mr. Terrett and Mr. Wallbridge for their work on behalf of Gulf Islanders, and also to urge the government to adopt the terms of this petition, to protect the beauty and the rich natural heritage of the Gulf Islands, to promote quiet and safety in the region by increasing the minimum flying height to 2,500 feet, by having all aircraft that land on the island approach over water, and by requiring a minimum of three blades on all propellers for all propeller-driven aircraft.

The issue here is not simply noise and the environment; it is, of course, the safety of the pilots and the passengers who fly.

[Translation]

## FISHERIES AND OCEANS

### STATE OF SNOW CRAB FISHERY

**Hon. Fernand Robichaud:** Honourable senators, I would like to speak to you about the state of the snow crab fishery, which is directly affecting the fishers of New Brunswick and the Gaspé.

Coastal fishers generally catch lobster, herring, scallops and mackerel, and before the moratorium, groundfish as well. Although they have been hit hard, they continue to ply their trade under difficult conditions.

These fishers, who generally work close to the coast, wish to catch snow crabs in zone 12, more specifically in what is known as the Shediac Valley and Chaleur Bay.

It seems obvious that there are abundant resources there to allow the fishers to harvest snow crab in these areas. A good number of snow crab die of old age every year. This is one reason the fishers wish to access this resource which is not being fully exploited. We are allowing the snow crabs to die of old age, instead of letting the coastal fishers harvest them.

The proposal is to open up these zones to these fishers, who would fish responsibly, without posing any threat or disturbance to the healthy balance of the abundant stocks.

Honourable senators, for this reason I support allowing the coastal fishers of New Brunswick and the Gaspé to also have fair access to the snow crab fishery in these regions, and to prove that a responsible harvest, in keeping with the principles of good management and conservation, is possible and indeed desirable.

[English]

## ASSEMBLY OF WORLD COUNCIL OF CHURCHES

### CANADIAN ECUMENICAL JUBILEE INITIATIVE FOR DEBT RELIEF FOR THIRD WORLD

**Hon. Lois M. Wilson:** Honourable senators, I am glad to be back in the Senate chamber after a December-long meeting of the Assembly of the World Council of Churches in Harare, Zimbabwe. At that meeting, at which the Vatican as well as representatives of sister faiths were present, the 325 churches, Protestant and Orthodox, stated that they:

...appealed to the leaders of the G-8 nations to recognize the urgent need to cancel the debts of the poorest countries to enable them to enter the new millennium with a fresh start.

I wish, therefore, to draw to the attention of senators to the Canadian Ecumenical Jubilee Initiative for Debt Relief, launched on Parliament Hill and in major cities across Canada last fall. This is an internationally supported proposal initiated by ecumenical organizations and non-government organizations worldwide, and strongly supported by a wide spectrum of Canadian counterparts.

• (1350)

The goal of this worldwide initiative is to give leadership to the Canadian face of the Jubilee 2000 campaign, the goal of which is to cancel the debts of the world's most impoverished countries by the year 2000. I believe meeting this goal will be an important step towards addressing the massive inequalities that currently deform global relationships. I am greatly encouraged by the response of citizens across this country. The jubilee initiative has shared information with the Canadian government on the countries we feel are urgently in need of debt cancellation and how this could be implemented. We see the bilateral debt cancellation as an extraordinary, one-time measure reflecting the need to right the imbalance of global relationships and eliminating the huge debt that continues to undermine progress towards sustainable social development.

The jubilee initiative is also deeply concerned about the deep cuts to development assistance over the past six years, when our aid has been reduced from 0.45 per cent of the GNP in the early 1990s to just 0.27 per cent in 1998, an all-time low. We see the need to establish a clear timetable to move Canada steadily forward to a target of 0.35 per cent of the GNP by 2003, beginning, we hope, with the upcoming federal budget.

We hope that Canada will demonstrate its leadership on the world stage in addressing global inequalities by advocating these two measures. The upcoming Cologne G-8 summit is a key opportunity for Canadian leadership on the jubilee's call for debt cancellation.

The kind of initiatives the jubilee supports represents international solidarity in a vision of a just and inclusive Canada, a Canada that can with integrity give bold leadership to the world as we approach the millennium.

## EUTHANASIA AND ASSISTED SUICIDE

ETHICAL LEGAL DILEMMA—  
REVIEW OF ISSUES BY SPECIAL SENATE COMMITTEE

**Hon. Donald H. Oliver:** Honourable senators, recently, the *Latimer* case, now on appeal to the Supreme Court of Canada, and the charge of murder brought against Dr. Nancy Morrison of Halifax, Nova Scotia, for allegedly killing a terminally-ill cancer patient have brought an ethical-legal question to the forefront of Canada's public policy discussions. Is the termination of a person's life by someone who believes that they are acting on compassionate grounds an act of murder as defined by the Criminal Code or an act of mercy that should not only go unpunished but should be regarded as an act of comfort and care toward one who is terminally ill? And what about the Judeo-Christian doctrine about the sanctity of life?

As senators will appreciate, some view the choosing of the timing and the manner of death as an individual right. Others clearly do not.

In the Supreme Court of Canada decision in the *Rodriguez* case, the late Mr. Justice Sopinka, a great champion of individual rights, stated:

The principle of sanctity of life is no longer seen to require that all human life be preserved at all costs. Rather, it has come to be understood, at least by some, as encompassing quality of life considerations, and to be subject to certain limitations and qualifications reflective of personal autonomy and dignity.

The *Rodriguez*, *Latimer* and *Morrison* cases have forced the courts to become more involved in the ethical-legal dilemma of balancing the state's interests in the preservation and protection of human life with the effect that continuing that life might have on both the patient and the immediate family.

To this point, the courts have refrained from attempting to rewrite the existing sections of the Criminal Code through judicial interpretation and have affirmed, at least in the *Latimer* case, the rights of society's most vulnerable members against intentional killing. In the *Morrison* case in Halifax,

Nova Scotia, there was insufficient evidence to show that Dr. Morrison had caused the death in question. Therefore, the courts were able to avoid the issue of determining a suitable punishment for what might have been classified as a mercy killing by a physician.

I believe the issue of intentional murder versus justifiable or necessary mercy killing needs to be resolved by parliamentarians before the courts substitute their own views on this issue. The Senate is the only legislative body capable of assuming a leading role in this matter. We now have a public policy vacuum. It cries out for aid from the chamber of sober second thought.

As legislators, we must realize we are faced with an ethical-legal issue. Some would argue that compassion for the sick and disabled should focus on alleviating suffering and pain, not terminating the life of the person who is suffering, while others, with specific reference to both the *Latimer* and the *Morrison* cases, would argue that death, through whatever means it is achieved, is preferable to a suffering, disabled life and that those who wish to bring about an end to such a life should be protected by the law.

Honourable senators, perhaps it is time to reconstitute the Special Senate Committee on Euthanasia and Assisted Suicide to review the issues raised by both the *Morrison* and *Latimer* cases and present a report to this chamber which could be used as a basis for amendments to the Criminal Code.

## CURLING

TRIUMPH OF NOVA SCOTIA RINK  
AT NATIONAL MIXED CHAMPIONSHIP

**Hon. Wilfred P. Moore:** Honourable senators, I rise today to make a statement in recognition of the achievement of Paul Flemming and his rink, of the Mayflower Curling Club in Halifax, Nova Scotia, upon winning the Canadian Mixed Curling Championship at Victoria, British Columbia, on Sunday, January 17, 1999. The winning rink included Paul as skip, Colleen Jones as mate, lead Monica Moriarty, and second Tom Fetterly. In Cinderella fashion, the Nova Scotia rink downed Ontario in a sudden death semi-final on Sunday afternoon and went on to win the national title over Prince Edward Island that evening.

In addition to this championship, Paul Flemming was named the all-star skip in this national event, and he was also awarded the Sportsmanship Award, a recognition voted upon by all players. It is also worthy of note that this title marked the fourth such in the past seven years to be won by Nova Scotia.

I extend our sincere congratulations to Paul Flemming and the members of his championship squad.

## INTERNATIONAL OLYMPIC COMMITTEE

ALLEGATIONS OF CORRUPTION AGAINST MEMBERS—  
NEED FOR REORGANIZATION OF COMMITTEE

**Hon. Norman K. Atkins:** Honourable senators, I wish to address the recent revelations of corruption in the International Olympic Committee.



I speak from the experience of being involved on the bid steering committee for the City of Toronto for both Expo 2000 and Expo '98, and my friend Senator Austin was a member of both of those bid committees. In neither bid was the City of Toronto successful. While these bids are not like Olympic bids, I formed the opinion at that time that too much attention was paid to meeting the needs and desires of representatives of the countries empowered to determine the winning bid.

This experience led me to ask the Minister of Foreign Affairs, Mr. Axworthy, when he appeared in Committee of the Whole last December on Bill S-21, the Corruption of Foreign Officials Act, the following question:

I am curious as to whether a bid for the IOC — that is, the International Olympic Committee — although it is not under the definition of “business,” would apply to this law.

The answer I received from the minister was as follows:

I always thought that involved sport, not business. In today's world, who knows. That is my answer. I am sorry, senator. I do not think it would apply in this case.

I followed with a supplementary question:

My understanding is that there are non-profit organizations that are charitable — that is, they are recognized by Revenue Canada as being allowed to collect money and issue receipts for income tax deductions — and then there are non-profit organizations that are not charitable. For example, the Olympic corporation is probably a non-profit organization, and many sports organizations are run as non-profit organizations. In other words, as a non-profit organization you can carry on business anywhere you want like any other corporation. Internationally, I am sure there are many non-profit organizations that are doing business, including some that are charitable and some that are not. Will those be covered?

The answer to this supplementary only confirmed the original answer that the Olympic committee was not covered. Minister Axworthy stated:

I have no doubt there may be other transgressions of the kind you describe. They are presently not addressed in this bill. The main concern for us was to deal with the growing incidence of corruption and how it impeded business. From the discussions we have had with the business community in Canada, it was their concern as well that we tackle that specific problem in this legislation.

That is why questions about non-profit organizations were not included. There would only be an attachment if there were an attempt to use a non-profit organization as a front or to commit conspiracy against the act. It would then be part of the investigation that the police and justice officials would undertake.

It is indeed unfortunate that this new statute does not touch the International Olympic Committee.

From my experience with bids for international events, I believe fairness in the determination of the ultimate winner will not occur until there is full disclosure of all facets of all competing bids. There must be transparency in the deliberation of the Olympic committee, as well as transparency in their voting procedures.

It is time to revamp and reform the whole Olympic committee system. It is also time that both Dick Pound, our Canadian representative, and the chairman of the committee, Juan Antonio Samaranch, seriously consider tendering their resignations.

• (1400)

It defies logic that Mr. Pound did not know of, or at least suspect, widespread corruption, since he himself was the object of a bribery attempt. As for the Chairman of the IOC, he must be held accountable. He must accept responsibility for what has occurred during his tenure.

Honourable senators, those proposing Olympic bids from Canada should demand full disclosure and a level playing field for all competing bids, just as we demand a level playing field for all competitors.

## FAMILY VIOLENCE

OPENING OF NEW PREMISES FOR  
MURIEL MCQUEEN FERGUSSON CENTRE FOR FAMILY VIOLENCE  
RESEARCH IN FREDERICTON, NEW BRUNSWICK

**Hon. Brenda M. Robertson:** Honourable senators, tomorrow will be a very proud day for the University of New Brunswick, the Muriel McQueen Fergusson Centre for Family Violence Research and the Muriel McQueen Fergusson Foundation. Tomorrow afternoon the centre will officially open its new home in Fredericton. Its new building was made possible by donations to UNB's Venture Campaign and is designed to provide increased space for researchers and visitors.

The centre was founded, as I mentioned yesterday, in 1992, and currently has 19 research teams and more than 200 researchers from across Atlantic Canada working toward the reduction and ultimate eradication of family violence.

Yesterday, I described many of its research projects in my remarks relating to Senator Carstairs' inquiry on family violence. I should like to expand on one additional aspect of the centre's work. The centre and UNB jointly developed and offer the UNB Certificate in Family Violence Issues. That program is aimed primarily at individuals who encounter family violence through their work, and who are seeking to broaden their knowledge and skills in this field. Examples include transition house workers, social workers, police, clergy, health care workers, legal professionals and many others.



Honourable senators, the new building will allow the centre to better carry on its action-oriented research and public education work on family violence, which is of great benefit to the Atlantic region as well as to the entire country.

I know that all honourable senators join me in applauding UNB, the Muriel McQueen Fergusson Centre for Family Violence Research and the Muriel McQueen Fergusson Foundation for their efforts to rid our society of this most insidious and widespread ill.

## ROUTINE PROCEEDINGS

### TRANSPORTATION SAFETY AND SECURITY

INTERIM REPORT OF SPECIAL COMMITTEE—  
CONFIRMATION OF TABLING—MOTION FOR CONSIDERATION

**Hon. J. Michael Forrestall:** Honourable senators, I wish to inform the Senate that, pursuant to the order of the Senate made on Thursday, June 18, 1998, I tabled with the Clerk of the Senate on Thursday, January 28, 1999, the interim report of the Special Senate Committee on Transportation Safety and Security.

Honourable senators, I move that the report be placed on the Orders of the Day for consideration on Thursday, February 18, 1999.

Motion agreed to.

### CANADA-CHINA LEGISLATIVE ASSOCIATION

FIRST BILATERAL MEETING HELD IN BEIJING, CHINA—  
REPORT OF CANADIAN DELEGATION TABLED

**Hon. Jack Austin:** Honourable senators, pursuant to rule 23(6), I have the honour to present to the Senate, in both official languages, the report of the Canadian delegation to the Canada-China Legislative Association regarding its first bilateral meeting, which took place in Beijing, China, from November 13 to 21, 1998. The Senate colleagues who accompanied me were Senator John Buchanan, Senator Pat Carney and Senator Thelma Chalifoux. I am co-chair of the association.

In addition to the formal consultations held in Beijing, the delegation travelled to Dalian and Lanzhou to explore trade, cultural, tourism and political dimensions to the Canada-China relationship.

**The Hon. the Speaker:** I regret to interrupt the honourable senator, but if he wishes to make a statement, it should be introduced as an inquiry, when the Senate will be pleased to hear from him.

**Senator Austin:** I was simply following the precedents that I saw on page 2053 of the *Debates of the Senate* of October 27, 1998.

**The Hon. the Speaker:** I shall look at the precedent.

### STATE OF FINANCIAL SYSTEM

NOTICE OF MOTION TO AUTHORIZE BANKING, TRADE  
AND COMMERCE COMMITTEE TO EXTEND DATE  
OF FINAL REPORT ON STUDY

**Hon. Michael Kirby:** Honourable senators, I give notice that on Thursday next, February 4, 1999, I will move:

That, notwithstanding the motion adopted by the Senate on Thursday, December 10, 1998, the Standing Senate Committee on Banking, Trade and Commerce be authorized to extend the date for the presentation of its final report on the state of the financial system in Canada from February 28, 1999 to December 31, 1999; and

That, notwithstanding usual practices, if the Senate is not sitting when the report is completed, the Committee be authorised to deposit it with the Clerk of the Senate, and that the said report shall thereupon be deemed to have been tabled in the Chamber.

### CAPE BRETON DEVELOPMENT CORPORATION

NOTICE OF MOTION FOR PRODUCTION OF DOCUMENTS  
RELEVANT TO PROPOSED PRIVATIZATION

**Hon. Lowell Murray:** Honourable senators, I give notice that on Tuesday next, February 9, 1999, I will move:

That there be laid before this House all documents and records concerning the possible privatization of Devco, including:

- (a) studies, analyses, reports and other policy initiatives prepared by or for the government;
- (b) documents and records that disclose all consultants who have worked on the subject and the terms of reference of the contract for each, its value and whether or not it was tendered;
- (c) briefing materials for Ministers, their officials, advisors, consultants and others;
- (d) minutes of departmental, interdepartmental and other meetings;
- (e) exchanges between the Department of Natural Resources, the Department of Finance, the Treasury Board, the Privy Council Office and the Office of the Leader of the Government in the Senate.

## QUESTION PERIOD

### NATIONAL DEFENCE

#### USE OF RELABELLED ANTHRAX VACCINE DURING RECENT PERSIAN GULF EXERCISE—COURT MARTIAL OF SERGEANT FOR REFUSAL—GOVERNMENT POSITION

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, it has been reported that an internal memo at the Department of National Defence speaks to the use of an anthrax vaccine by the department during the Persian Gulf crisis last year. In addition, there is a report issued by the Food and Drug Administration of the United States which also expresses concerns about this drug.

Among the concerns is that the anthrax vaccine that was injected into Canadian soldiers was a vaccine that was relabelled from 1991 with labels of 1997 and 1998. To date we have no idea if Canadian soldiers were vaccinated with this relabelled anthrax vaccine, and we wish to learn from the Leader of the Government whether Canadian troops received the relabelled anthrax vaccine. If they did, what steps have been taken to determine whether this relabelled vaccine has posed a health threat to our troops?

**Hon. B. Alasdair Graham (Leader of the Government):** I thank the honourable senator for his question. I am not aware of any relabelling of material from 1991 to 1998.

• (1410)

I can say that the Minister of National Defence has personally assured me that any vaccine injected into members of our armed forces was indeed safe. The vaccine given to CF members in the Persian Gulf was tested for potency, safety, sterility and purity.

I understand that the manufacturer was Michigan Biological Products Institute, and that they conducted the testing in January and March of 1998. The independent American contractor Mitretek oversaw the testing and verified the results. I understand that the results of the testing confirmed that the vaccine was both safe and effective.

**Senator Kinsella:** Honourable senators, I have a supplementary question. To particularize this matter, it has been reported that Sergeant Mike Kipling has been charged with disobeying an order by refusing to submit to inoculation with this anthrax vaccine. Sergeant Kipling refused the vaccine because it had not been sanctioned by Health Canada for general use. The concern is that this vaccine may be linked to the Gulf War syndrome.

My question to the Leader of the Government in the Senate is: Will the government be reconsidering their policy of forced inoculations for Canadian troops in these kinds of circumstances?

**Senator Graham:** Honourable senators, the current policy regarding mandatory immunization was designed to ensure that

all Canadian Forces personnel are protected both for their own safety and for the safety of the mission.

With respect to the particular case that has been raised by Senator Kinsella regarding Sergeant Kipling, I understand that the decision to charge Sergeant Kipling and proceed to a court martial was taken after very careful examination of the case and was in accordance with current military law. As the matter is before the court, I believe it would be inappropriate for me to make any further comment.

### FOREIGN AFFAIRS

#### DISPATCH OF PEACEKEEPING FORCES TO KOSOVO— POSSIBILITY OF DEBATE IN SENATE ON ISSUE— GOVERNMENT POSITION

**Hon. J. Michael Forrestall:** Honourable senators, Parliament's role in the approval of Canadian Armed Forces action outside of Canada in the various roles of peacekeeping, peacemaking and so on is a matter of more than just passing interest. With respect to international conflicts and in reviewing the government's decision to place the military on active service, we should re-examine or revisit these policies. We should do so not only for Parliament's protection, but also to clarify the complex territory that we are moving into by failing to deal with it once and for all.

The situation in Kosovo is grave. We have witnessed a massacre and daily fighting. With the spring season a matter of weeks away, mobility will again give rise to more active campaigning on all sides of that conflict. The Prime Minister has said that we might send troops in addition to the CF-18s based in Italy. The Minister of Foreign Affairs has said that this would happen only if the UN Security Council approved it. The Minister of Defence has said that it would not be an aggressive military force, but rather a peacekeeping force, as in Bosnia that, I might add, has cost many lives.

Honourable senators, we do not know what we are getting into, whether it is an invasion or a ceasefire. We do not know how the troops will get out. The list is endless. We are encountering a situation that might very well start out as peacekeeping but in a few short weeks could turn into outright war. How will we get our troops into Kosovo and out again? Under whose command will they be? Who will feed them and who will lead them through this operation? We do not even know who will for this action. We do have enough money to pay for snow removal in Toronto, but how are we going to pay for this proposed visit to Kosovo? I do not oppose this action in Kosovo, as the humanitarian concerns are too pressing.

My question to the Leader of the Government in the Senate is: Can he assure this chamber that there will be a debate in the other place prior to a decision being taken?

Notwithstanding the answer to that question, could I get an undertaking that a platform will be provided to allow members of the Senate of Canada to express their views, particularly on the very complex question of what we do with troops on foreign soil under a number of different situations and categories?

Any senator could initiate an inquiry for debate, but it would have much more weight and influence if it were to come about as a result of an initiative of the government.

**Hon. B. Alasdair Graham (Leader of the Government):** The honourable senator raises an interesting point. We are determined to take all possible and necessary action through the United Nations, NATO and the OSCE to pressure both sides to end the violence and find a peaceful solution to the conflict.

Canada has always been willing to back up its words with action when it has come to conflict in the Balkans. At this stage, as my honourable friend would recognize, the focus is on diplomacy. It is too early to speculate on what form a Canadian military contribution to resolving the situation might take.

I am sure that before the government takes the kind of very extensive measures suggested by my honourable friend, Parliament will be consulted. In that sense, if there is to be a debate in the other place, as we have a consultative process, we could also have a debate in this chamber.

**Senator Forrestall:** I thank the Leader of the Government in the Senate for that response. Would he not agree with me that the events in the other place are dictated by certain circumstances that do not restrict the Senate in conducting an open and public debate? The arguments, pro and con, with respect to Canada's approach to peacekeeping, peace maintenance and peacemaking are difficult ones which require active service designations, and other complex resolutions. Does the Leader of the Government in the Senate not agree that we might be able to serve the question well by initiating that debate in this chamber?

**Senator Graham:** Honourable senators, we could very well do that. Honourable Senator Forrestall could initiate the debate through an inquiry.

With regard to Canada's situation with respect to its equipment and personnel, we have currently deployed six CF-18s to Italy as part of NATO's response to the conflict. In addition, we have 32 unarmed personnel serving with the OSCE to verify the ceasefire agreement of last October. Beyond that, we have approximately 1,250 personnel serving with NATO's stabilization force in Bosnia.

• (1420)

The Department of National Defence is currently examining options for a Canadian contribution to a NATO implementation force for Kosovo, should the negotiations produce an agreement.

Last Saturday, NATO implemented the activation orders for its aircraft currently in the region. This action led to an immediate increase in allied air activity on the periphery of Kosovo. NATO has declared, although not yet enforced, a no-fly zone over Kosovo. Implementation of the activation orders will also bring NATO aircraft and cruise missile-launching ships to a state of readiness that would allow them to immediately enforce a no-fly zone over Kosovo, and carry out initial air strikes.

One event I should also point out to Senator Forrestall and to all honourable senators is that the negotiations between the

parties are scheduled to start no later than this coming Friday, February 5. The foreign ministers of France and the United Kingdom would co-chair the negotiations, with a view to granting Kosovo a significant degree of autonomy, while remaining within the boundaries of the Yugoslav Republic.

**Senator Forrestall:** Honourable senators, the minister, of course, is aware that I could very easily initiate this kind of debate, and I probably will. I reiterate, however, that I think it would be much stronger and much more forceful if it came from the government side.

I do so because a future conflict might very well be more like the Korean situation, where U.S. and other allied forces were engaged with the enemy, and were brought under great stress. They were being pushed back to the sea. There was no time for confirmation by Parliament of the change in status before Canadian troops had to enter the action.

It is to take advantage of that window of time that I again call upon the government to initiate a debate, to the degree that those who are interested may participate.

**Senator Graham:** Let us then put the time frame in perspective.

As I indicated, negotiations are set to start no later than this coming Friday, February 5, and they are to be led by the foreign ministers of France and the United Kingdom. The two parties, as I understand, would have seven days to agree on the main components of the deal, at which point NATO and the contact group would assess whether sufficient progress had been made to forestall any military action. If so, the two parties would have no more than seven days to resolve the remaining issues. If not, either side would face the prospect of military action on the part of NATO to bring an end to the conflict.

The other place had a full and useful discussion on the situation in Kosovo last fall as part of the decision to deploy the CF-18s overseas. As I indicated, we on this side would welcome — within a reasonable time frame, an inquiry or a discussion into Canada's role in that very important conflict in that part of the world.

At this point, it may seem a bit too early to say what our military contribution might be and, as a result, what form parliamentary consultation might take. However, recognizing the interest of all honourable senators in this particular subject, the debate could begin by initiating an inquiry.

## NATIONAL DEFENCE

### READINESS OF HELICOPTERS AND EQUIPMENT FOR MILITARY AND SEARCH AND RESCUE MISSIONS—CONSIDERATION OF LEASING OPTION—GOVERNMENT POSITION

**Hon. Gerry St. Germain:** Honourable senators, my question is also to the Leader of the Government in the Senate. It relates indirectly to what Senator Forrestall has asked because, according to the information that I have been given, the Prime Minister has pledged Canada to a supportive military role.



Has the Leader of the Government in the Senate not read the recent report of the House of Commons Defence Committee dealing with the substandard conditions of the standard of living for military families? Is he not aware of the level of obsolescence of our military equipment? Does the government not know that the Canadian military does not have the logistical capability of even getting the people there, as Senator Forrestall said, let alone getting them out? In fact, things are so bad that on the north shore of Vancouver, efforts to retrieve the body of an 11-year-old boy had to be put on hold for several hours because of mechanical failure of the CH-118 Labradors. As a matter of fact, there was a graphic picture of an airman sitting beside his CH-118, and a picture of the scene of the accident.

How can we expect our military to play a role in armed confrontation halfway around the world if we cannot even rescue a small boy? Is the Leader of the Government aware of that particular incident?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, yes, I read about that very regrettable incident. I know the feelings of the Minister of National Defence. As a result of the continual reminders I receive in this chamber — and appropriately so — I suppose that, around the cabinet table, no one supports him more than the Leader of the Government in the Senate in his efforts to improve not only the standard of living for our Armed Forces personnel, but also the equipment they are supposed to operate.

The story about the 11-year-old boy is very regrettable. I discussed this matter with the Minister of National Defence yesterday and again this morning. The conversation was not specifically related to the incident involving the 11-year-old boy but to the equipment in general. He told me that he is satisfied with the reports from the military officers and those who are directly responsible.

Again, I acknowledge that the Minister of National Defence and the government must take the ultimate responsibility. However, the minister assures me that the Labradors and Sea Kings are being checked every day, and that Armed Forces personnel would not be permitted to fly in unsafe aircraft.

The minister himself, while on the West Coast last week, flew in a Labrador, and when he was in the United States earlier in the week, he flew in a 30-year-old Sea King with the Chief of Air Defence on the Atlantic coast.

**Senator St. Germain:** Honourable senators, I believe completely what the Leader of the Government in the Senate is saying. However, in spite of the safe feelings, the issue is that the aircraft are not serviceable under certain conditions. They do not start up and they do not operate. This is not a question of harassment of the minister or of the cabinet. This is a question of safety on the West Coast.

I live on the West Coast and the minister lives on the East Coast. He knows the challenges faced by Search and Rescue and the people who are exposed to these situations. Why is it that this government can spend over \$100 million on firearms registration that will not change a blessed thing in the world, and yet they

cannot lease a couple of helicopters to at least make it safe for the crews and the people who live in these areas, such as the fishermen and the people who operate tugboats?

I cannot believe that the Leader of the Government would stand in his place and say that because the minister rode in an aircraft that the aircraft is safe. I will ride in one tomorrow morning, too, but that does not mean that they are serviceable under the conditions in which they are required to operate.

Would the Leader of the Government please tell honourable senators whether serious consideration has been given to leasing, and whether anything is being done in that regard?

**Senator Graham:** Honourable senators, I can say that leasing has not been ruled out as one of the options.

• (1430)

PARTICIPATION IN PROPOSED UNITED STATES BALLISTIC MISSILE DEFENCE INITIATIVE— POSSIBILITY OF DEBATE IN SENATE ON ISSUE—GOVERNMENT POSITION

**Hon. Douglas Roche:** Honourable senators, can the Leader of the Government in the Senate confirm that the Government of Canada will retain its firm opposition to participating in the possible creation by the U.S. of a missile defence system in North America, otherwise known as “Star Wars,” and that Canada will make clear to the U.S. that such action will violate the ABM Treaty, set back the implementation of START II, and set off a renewed nuclear arms race? Will the leader ensure that the February 1 article in the important journal *Aviation Week and Space Technology* describing Star Wars as the path to “strategic hell” is distributed to the relevant Canadian decision-makers?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, it is easy to answer the last part of the question with a “yes.” Perhaps I could call upon the very experienced Senator Roche to help me with respect to the list of “relevant Canadian decision-makers.”

With respect to the first part of the question, I believe it is accurate to say that the government has not made a decision to participate in U.S. programs to field a ballistic missile defence system for North America. That decision will be made by the government, not by officials.

At the same time, the government has clearly stated that Canadian officials will monitor developments in this area and consult with their U.S. counterparts so that the government can make an informed decision on Canadian participation, if and when the time comes.

**Senator Roche:** Honourable senators, I thank the government leader for his invitation to present my suggestions to him, and I will do so in the form of a letter.

The Leader of the Government in the Senate says that the government has not made a decision on this matter. It must be emphasized that even contemplating such a measure is a direct violation of the Anti-Ballistic Missile Treaty.

Since the cost to the Canadian taxpayer for the scheme being discussed could be \$600 million, at a time when the Canadian Armed Forces are not being paid properly and when, as we have been hearing recently, equipment needs to be upgraded, will the leader ensure that a government sponsored debate will take place in the Senate before any government action is taken on such a missile defence system?

**Senator Graham:** Honourable senators, that could be part of the debate that Senator Forrestall was suggesting. It could be a more wide-ranging debate.

On a specific point, Senator Roche cited the figure of \$600 million, which I believe is a figure carried in one of the newspapers today. I believe that story is misleading on several points. In the first instance, the \$600 million figure, which would be spent over 12 years, refers to what I believe is called the department's joint space project. This is a group of space-related programs focused on communications and surveillance that would serve a variety of Canadian Forces needs.

By way of example, a large component of the project is a space-based communications system to serve the Army's needs, not to facilitate the interception of ballistic missiles.

The story suggests that the military is gradually easing Canada toward participating in a U.S. program which, during the 1980s, received only a lukewarm reception from the Canadian government. In fact, the development programs currently under consideration in the United States are much more modest than the comprehensive defence against thousands of ballistic missiles which characterized the Reagan years.

The arms control issue raised by BMD programs has also become far less acute. The government clearly set out the changing nature of these issues in what everyone refers to as the 1994 National Defence white paper as part of the renewal of the North American aerospace defence NORAD agreement in 1996.

USE OF RELABELLED ANTHRAX VACCINE DURING RECENT  
PERSIAN GULF EXERCISE—COURT MARTIAL OF SERGEANT  
FOR REFUSAL—POSSIBILITY OF WITHDRAWAL OF CHARGES—  
GOVERNMENT POSITION

**Hon. Norman K. Atkins:** Honourable senators, my question is directed to the Leader of the Government in the Senate and is a supplementary question with regard to Sergeant Kipling.

Would it not be appropriate for the military to withdraw its charges against Sergeant Kipling in view of the intelligence that we now have?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, the charge was laid by the military forces, and I do not think the government would want to micromanage that situation. The matter is before the courts and, as I indicated earlier, I am reluctant to comment on something which is currently before the courts.

**Senator Atkins:** Honourable senators, the fact is that when Sergeant Kipling was charged the information that is now public

was not known. Therefore, should the military not reconsider its actions?

**Senator Graham:** Honourable senators, in the information I relayed to the chamber earlier, I indicated that there were no adverse or negative effects from the anthrax injection. Indeed, we were assured by those responsible that it was safe.

## CAPE BRETON DEVELOPMENT CORPORATION

### ANNOUNCEMENT OF MINE CLOSINGS IN CAPE BRETON— LACK OF CONSULTATIONS WITH LOCAL COMMUNITY LEADERS—GOVERNMENT POSITION

**Hon. John Buchanan:** Honourable senators, last week was a very difficult and traumatic week for Cape Bretoners and many other Nova Scotians. I know it was a traumatic week for the Leader of the Government in the Senate, myself, Senator Murray, and others who over the years have had a relationship to the coal industry through our families.

I look back on the coal industry with great nostalgia, as does Senator Graham. However, with the announcements that were made last week, it appears that the coal industry of Cape Breton is slowly but surely being phased out, and that is extremely upsetting to the whole community.

Not many weeks ago, the minister promised consultations with community leaders, the Cape Breton regional municipalities, unions and church leaders. Why did he go to Cape Breton and make the major announcement of the closing of one mine within one to two years and the phasing out of another over the next five to seven years after privatization without consulting the leaders in the Cape Breton community as he promised he would?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I understand the very strong feelings the Honourable Senator Buchanan has in this regard, and they are no greater than my own.

On January 11, the Honourable Ralph Goodale, Minister of Natural Resources, who is also the minister responsible for Devco, Mr. Joe Shannon, the Chairman of the Board of Directors of Devco, and I visited and had extensive discussions with the four unions involved in Devco operations. We subsequently met with the community.

At the time, Mr. Steve Drake, President of the United Mine Workers, submitted and discussed a plan for the continued operations of Devco. That plan was examined by the minister and his officials. It was also referred to Devco management and the board of directors for careful examination. Every item raised by Mr. Drake in his plan was responded to by the minister. Unfortunately, the analysis indicated that it was not viable to continue the operations of the Phalen mine beyond 2000.

There is a block of coal in 8 East which would be feasible to get out, barring any unforeseen circumstances, such as a geological problem. Beyond that, it was determined that the other option of mining 1A would be, regrettably, not economically feasible.



Thus, the government had to make a decision, Senator Buchanan. It was not a window of opportunity but, perhaps, what might be called a window of necessity. Someone had to make a very difficult decision under very difficult circumstances, and that is what took place.

Last Thursday, we met with management and the unions. Many family members were also there and, as you know, we had a public press conference. Then, on Thursday night, I met with the mayor and all the councillors of the Regional Municipality of Cape Breton. On Friday morning, we met with members of the community — business leaders, the clergy, and so on. Senator Buchanan has some idea of what community means in Cape Breton.

We gave a solid undertaking to the regional municipality, the community and the unions that there would be consultation with respect to the future of Devco as an entity, and with respect to the issue of privatization. We also discussed how that privatization process, which will be transparent, should proceed.

We also ensured and undertook on behalf of the government that there would be consultations with all of the stakeholders and the community concerning future regional economic development measures.

Honourable senators, it was a most difficult time. A most difficult decision was taken after weeks and, indeed, months of agonizing over this particular problem. We had to determine whether or not the future of Cape Breton rested in coal alone or whether we had to look for other opportunities to diversify the economy. That is exactly what we were doing.

Ultimately, on the advice of management and the board of directors, we had to take the course of action that we did. We determined that it would not be economically feasible to continue mining coal at Phalen beyond 2000.

**Senator Buchanan:** Honourable senators, I understand decisions and how difficult they can be. However, I also understand the word "consultation" does not mean "just a few hours." The minister has heard the complaint. It is that the consultations that had been promised are now being held after the fact. The announcement was made last week about the closure of Phalen and the privatization of Prince, if Premier MacLellan will agree to the transfer of licences or leases, which he has said at this point that he will not do, unless there is proper consultation and unless proper conditions are met. However, I am told that the consultations that the minister mentions took place less than a week and a half before the announcements were made.

The other problem is that many people in the mining industry thought that the plan put forward by the unions for the Phalen colliery appeared to be very good. Yet, within less than a week and a half or two weeks of that plan being submitted to Mr. Goodale, it was rejected out of hand by the federal government, and an announcement was made that Phalen would close.

The other thing that is very disconcerting is that just last year in hearings of the Special Senate Committee on the Cape Breton

Development Corporation we were told by Devco that the Phalen colliery would have a longevity of 8 to 10 and, perhaps, 12 years. That was just a little over one year ago. Yet, all of a sudden, the Phalen colliery is to close within 18 to 24 months. In fact, as the minister is well aware, Devco has now announced that Phalen may close at any time. They sent a memo to that effect.

How can one possibly say less than one year and a few months ago that they will stay open for 8, 10 or 12 years and then suddenly say that it will close within 18 to 24 months, and maybe sooner than that, without any long-term consultations with business leaders? I watched them. I have spoken to some of the business and community leaders, including the mayor, all of whom say that really they were not given as much information as they thought they would receive before the announcement was made. It is fine now to say that consultations will be held before privatization takes place. That is something like closing the barn door after the horse gets out.

There is a lot of concern, honourable senators, about this matter. I know that the minister is concerned. He grew up in a Cape Breton mining family, as did I.

Why were the consultations not carried out over a period of weeks, perhaps, as opposed to one day and a couple of nights? Why was Premier MacLellan himself not totally versed on the content of the announcements? He also says that he was unaware of some parts of those announcements; and he is the Premier of the great Province of Nova Scotia!

**The Hon. the Speaker:** Honourable senators, I wish to inform the Senate that Question Period is substantially over. Therefore, could the response be short? I cannot accept any further questions.

**Senator Buchanan:** We will continue it tomorrow.

**Senator Graham:** Premier MacLellan is, indeed, a great premier following in the wake of great premiers who preceded him.

With respect to consultation, the Senate itself did great work. I refer, of course, to the Special Senate Committee on the Cape Breton Development Corporation which held comprehensive consultations. Senator Buchanan was a part of them, as was Senator Murray.

Honourable senators, there is a question of safety here. There is also a question of timing. The timing to take a decision of this nature is never right. However, in order to get the package for the community which is there now, which includes —

Your Honour, I beg you to give me just a few seconds to complete my answer, and then we can carry on tomorrow.

The information the committee had was that the Phalen mine would be viable for another 8 to 10 years. When we met with the union on January 11, Mr. Drake, the President of the United Mine Workers, said that the most we could get out of Phalen mine was four years and, perhaps, five maximum; and out of Prince, we could expect 10 years. He is on the record as having said that.



**Senator Buchanan:** He was on the record of the committee, too, as having said that, as well as pushing for the Donkin mine.

**Senator Graham:** With respect to Premier MacLellan, I am at a loss to know what information Premier MacLellan did not have and that the community was not given on Thursday and Friday.

In 1990-91, when members opposite were part of the previous government, Mr. Tom Hockin indicated that the mines had to become economically feasible and operate as a business. The government had advanced at that time something in the order of \$155 million. As a matter of fact, Mr. Hockin said that the new five-year plan was a result of unprecedented union management cooperation. The plan called for elimination of federal government subsidies to Devco by 1995.

• (1450)

**Senator Buchanan:** I remember that very well.

**Senator Graham:** In 1996, the present government advanced a loan of \$69 million to Devco. Under the plan announced last week, that \$69 million, which had been given in 1996, has been written off by the Government of Canada.

In addition, just before the Christmas break, I announced in this chamber on behalf of the government that a further \$41 million was being advanced to the corporation to carry it through the fiscal year to March 31, 1999. That amount is also being written off. There is then an additional \$40 million which we had to find to carry the operations of Devco through to the year 2000.

I will be prepared to discuss the development money tomorrow, if Your Honour is about to cut me off now, or I can continue and give honourable senators the whole picture today.

**The Hon. the Speaker:** Is leave granted, honourable senators?

**Hon. Senators:** Agreed.

**Senator Graham:** To recap, then, \$69 million from 1996 has been written off; \$41 million to carry the corporation and its operations through to March 31, 1999 will be written off; another \$40 million is needed to carry the operations through to the year 2000. As well, \$111 million is needed in the human resources plan, which includes \$60 million for early retirement, \$46 million for severance and \$5 million for training.

In addition, \$68 million of new economic development money will be spent in Cape Breton. That is over and above the normal spending through ECBC and ACOA of \$80 million over a four-year period. An additional average of \$35 million per year is spent in Cape Breton through active employment measures by Human Resources Development Canada.

If you add up all of those numbers, including the write-offs, the money to continue the operations, the development money

through the new package, ACOA and ECBC and HRDC, I believe the total would come to something in the order of \$559 million, exclusive of the \$155 million which was advanced in fiscal 1990-91 by the previous government.

### DELAYED ANSWER TO ORAL QUESTIONS

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I have a response to a question raised in the Senate on December 8, 1998 by the Honourable J. Michael Forrestall, regarding the transfer of responsibility for search and rescue capability to Sea King bases and the possible transfer of other equipment.

### NATIONAL DEFENCE

#### TRANSFER OF RESPONSIBILITY FOR SEARCH AND RESCUE CAPABILITY TO SEA KING BASES—POSSIBLE TRANSFER OF OTHER EQUIPMENT—GOVERNMENT POSITION

*(Response to question raised by Hon. J. Michael Forrestall on December 8, 1998)*

The Canadian Forces are mandated to provide search and rescue to Canadians across the country. Primary response for search and rescue missions is normally assigned to the Labrador. It can be assigned to other aircraft should the need arise. However, this does not imply a diminishment of search and rescue capabilities.

We continue to provide search and rescue coverage with the Labrador. Since the crash in early October, Labrador crews have flown over 600 hours and conducted more than 50 missions. Furthermore, the Canadian Forces have a number of other assets, including Hercules, Buffalo, Griffon and Sea King aircraft that can be used from bases around Canada to provide the high-quality search and rescue service that Canadians expect from us.

Search and rescue in Canada is a collective effort. It encompasses the efforts and activities at all levels of government, private and volunteer sectors and a vast array of organizations and programs that work together to provide search and rescue.

We remain committed to ensuring that the Canadian Forces have the equipment they need to continue performing their search and rescue missions in the future. To that end, this Government announced a year ago the purchase of 15 Cormorant helicopters to replace the Labrador. The first Cormorant will come into service in 2001.

## ORDERS OF THE DAY

### CARRIAGE BY AIR ACT

#### BILL TO AMEND—SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator De Bané, P.C., seconded by the Honourable Senator Robichaud, P.C. (*Saint-Louis-de-Kent*), for the second reading of Bill S-23, to amend the Carriage by Air Act to give effect to a Protocol to amend the Convention for the Unification of Certain Rules Relating to International Carriage by Air and to give effect to the Convention, Supplementary to the Warsaw Convention, for the Unification of Certain Rules Relating to International Carriage by Air Performed by a Person Other than the Contracting Carrier.

**Hon. Fernand Roberge:** Honourable senators, I am pleased to join in the second reading debate on Bill S-23. I travel a great deal, as do most senators, but I was not aware until now of the intricacies of international agreements which cover flights between countries.

Having studied Bill S-23 in detail and the two conventions included as schedules, I believe I can serve as a resource person for all honourable senators who have lost their luggage, or if something they have shipped by air has gone astray. I can advise as to the liability, the limits of liability and the meaning of the small print included on the back of plane tickets or bills of lading. If I am away on a trip, I am sure Senator De Bané could also answer those queries.

[Translation]

As Senator De Bané has already explained, Bill S-23 implements Montreal Protocol No. 4 and the Guadalajara Supplementary Convention. These international agreements amend the Warsaw Convention on international carriage by air.

Honourable senators will note that the Warsaw Convention that is the subject of Bill S-23 was signed in 1929. In other words, even though the international carriage of passengers by air was still in its infancy, the drafters of the convention thought it necessary to establish for the parties an international regime of liability setting out the procedures for the carriage of passengers, baggage and freight.

The Warsaw Convention assigns liability to the air carrier and provides for maximum liability in the event of death or injury of a passenger, and loss of baggage or freight. In addition, the convention authorizes a passenger or shipper to enter into a contract in order to improve the terms of liability.

Canada gave effect to the Warsaw Convention in June 1947 by passing the Carriage by Air Act. The act has subsequently been amended to reflect new international agreements.

[English]

In addition to making adjustments to the Carriage by Air Act, this bill gives official Canadian ratification to two international agreements respecting air flights. The Guadalajara Convention provides that, from a liability aspect, passengers and shippers entering into an agreement with a contracting carrier are fully protected, even in cases where the contracting carrier is not the actual carrier that performs the transportation, or even a part of it.

The Montreal Protocol No. 4 deals with cargo exclusively. It provides for simplified documentation through electronic transmission of information, as well as a regime of strict carrier liability with a maximum limit. It is unfortunate that agreement has not been reached on Montreal Protocol No. 3 which provides for an increase in the limit of liability for passengers and their baggage. When such an agreement is reached, perhaps the bill implementing it will be introduced in the Senate so that it can receive the full level of scrutiny which can be given to it by senators.

[Translation]

At the reading of Bill S-23, I identified only some problems I wanted to bring to the attention of the Standing Senate Committee on Transport and Communications. First, financial liability is determined in Canadian dollars equivalent to French francs or special drawing rights at a rate established by the International Monetary Fund. Given that the eurodollar will shortly be used in Europe, how are we going to deal with the provisions in question in international air carriage agreements?

Second, clause 3 of Bill S-23 concerns the submission of foreign states to the jurisdiction of Canadian courts under the State Immunity Act. This is a determinative clause providing that governments not signatory to the Montreal Protocol are considered to have explicitly submitted to the jurisdiction of Canadian courts under paragraph 4(2)(a) of the State Immunity Act. This paragraph provides that foreign states submit to the jurisdiction of the court when they submit explicitly to the jurisdiction of the court either before or after the proceedings commence.

There seems to be some contradiction, unless we amend in Bill S-23 the reference to another section in the State Immunity Act.

[English]

I understand that Canada's international air carriers are supportive of Bill S-23. I believe the Senate committee studying this legislation should hear from the air carriers' umbrella group, ACTA, to determine the degree of support. Also, I would like to know how, from a practical point of view, the passage of Bill S-23 will affect air travel in Canada.

Finally, I understand that the Department of National Defence has requested that a reservation to the Montreal Protocol No. 4 be deposited at the time of its ratification that it will not apply to air carriage involving Canadian aircraft reserved by or for the use of National Defence. We would like clarification of this position during the discussions in committee.

[Translation]

**The Hon. the Speaker:** Honourable senators, if no other senator wishes to intervene, the debate will be considered closed.

Motion agreed to and bill read second time.

REFERRED TO COMMITTEE

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the third time?

On motion of Senator De Bané, bill referred to the Standing Committee on Transport and Communications.

[English]

• (1500)

## INSURANCE COMPANIES ACT

BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

**Hon. Richard H. Kroft** moved the second reading of Bill C-59, to amend the Insurance Companies Act.

He said: Honourable senators, it is a pleasure to express my support for the legislation before us, legislation that is an essential part of the proposed demutualization regime for Canada's large mutual life insurance companies. The proposed regime would set out the rules under which mutual life companies, which are currently governed by their policyholders, could convert to stock companies. All demutualizations would require policyholder approval.

Let me first deal with the rationale for the new regime. Canada has four large mutual life companies that have operated very successfully with the mutual form of corporate structure. However, a number of developments in recent years have led these companies to consider demutualization. To begin with, in the past, these companies were only engaged in selling life insurance protection. A mutual system of governance made sense in that environment. However, that source of business now generates only 27 per cent of their income. In effect, the mutual system of governance now favours a minority of these companies' clients.

Moreover, these insurance companies are now operating in an environment that is changing rapidly and where consolidation is taking place worldwide. In order to remain competitive, they require more flexibility to access capital.

Because they are currently owned by their policyholders, they are unable to issue common shares, a major source of financing for corporations. Conversion to a joint stock company structure would provide these companies with more sources of capital.

In addition, demutualization would impose greater market discipline on converting companies and provide them with a better-understood system of governance. As a result, converting

companies should show improved efficiency and productivity. Since December of 1997, all four major Canadian mutual life companies have announced their intention to develop demutualization plans in anticipation of a new regime that would permit large mutual life companies to demutualize.

Insurance is a key industry in the Canadian economy, employing over 100,000 people directly and indirectly. The ability of Canadian insurers to compete internationally is vital to the industry's success. Over half of the sector's premium income comes from abroad.

Demutualization of large companies has been going on for nearly a decade in other major countries, such as the United States, the United Kingdom, and Australia. I should like to emphasize that the government is not encouraging companies to demutualize. The government's role is to remove the regulatory barriers that prevent companies from pursuing a more flexible corporate structure. Whether to demutualize is a question that must be decided by the policyholders of each company.

From the policyholder perspective, policyholders may very well decide that demutualization is in their best interests. Their contractual arrangements will not be affected by demutualization, but at the same time, they stand to benefit by being able to realize the value of their ownership rights and interests in the companies and from dealing with a company that is more competitive and efficient. Should the four major Canadian mutual life insurance companies proceed to demutualize, it is estimated that \$10 billion in benefits will be allocated to their 2 million Canadian policyholders. Whatever their decision, the proposed demutualization regime provides a comprehensive package to ensure that policyholders are fully protected and treated fairly throughout the demutualization process.

Let me highlight some of the proposed regime's policyholder protection measures. First, the decision to demutualize rests with the companies' eligible policyholders — that is, those with voting policies, the owners of the companies. In order to proceed, a conversion proposal must be approved by two-thirds of the company's eligible policyholders who cast votes, either in person or by proxy, at a special meeting called to consider demutualization.

Before that vote takes place, it is important that eligible policyholders be well informed of the issue at hand. Companies will therefore be obliged to send policyholders a comprehensive information package outlining, among other things, the advantages and disadvantages of demutualization, the estimated market value of the benefits the individual policyholder would receive, and a summary of the independent expert opinions on the conversion proposal.

Such opinions will be required on a number of aspects of the conversion plan, including: the fairness of the allocation among policyholders, the adequacy of company funds to service current and future participating insurance business, the future financial strength of the company and the security of policyholders' policy benefits.



The Office of the Superintendent of Financial Institutions will review all information for policyholders before authorizing its release. Furthermore, if the superintendent were of the opinion that policyholders should receive more information prior to the vote on demutualization, or that more should be done to answer policyholders' questions and concerns, he could order that such measures take place as sending additional information to policyholders or holding information sessions.

Should a company's policyholders vote in favour of the conversion proposal, an application for demutualization would then be submitted to the Minister of Finance, who would review the proposal based on public interest considerations. If a demutualization proposal were approved, the company would then distribute benefits to policyholders in exchange for their ownership rights and interests in the company as described in the conversion plan. The benefits would generally take the form of shares which policyholders could either hold as an investment or sell for cash at any time.

It is important to note that demutualization will not affect the contractual arrangements between the companies and their policyholders. This includes policyholders' rights to receive insurance protection and dividends, and their obligation to pay premiums.

Let me say a few words on the post-demutualization period.

I would first like to turn to the proposed regime's safeguards to protect the companies from losing their Canadian identities or from being taken over once they go public.

Irrespective of the national identities of their policyholders, who will become shareholders upon demutualization, converting companies will remain Canadian insurance companies. They will continue to be subject to regulation by Canadian regulators; they must maintain their head offices in Canada; and at least three-quarters of their directors must be Canadian residents. Furthermore, the widely held rule would be maintained in order to protect converted companies from takeovers by banks or other financial institutions. In other words, no person or institution could own more than 10 per cent of any class of shares of the company. A review of this restriction would take place two years after the demutualization regulations come into force and would take into account the need for converted companies to have an appropriate period of time to adjust to their new corporate structure and market environments.

In terms of legislative amendments, let me now briefly explain the elements of the regime contained in Bill C-59. Most of the regime would be set out in regulations, so there are only a few legislative provisions required. Amendments to the Insurance Companies Act would be required as follows: first, to provide for a special meeting of eligible policyholders to consider the demutualization proposal; second, to allow for a relatively longer notice of meeting period to ensure policyholders are well informed before voting on a proposal; third, to ensure that only eligible policyholders will vote on the proposal; fourth, to allow the transfer of excess assets out of the participating accounts in order

to increase the value of the company that would be allocated to policyholders upon demutualization; fifth, to provide the superintendent with appropriate authority to oversee the demutualization process; and sixth, to prohibit directors or officers and employees in the company from benefiting from demutualization other than benefits to which they are entitled as eligible policyholders.

• (1510)

The aim of Bill C-59 is to remove a regulatory barrier that constrains the options available to Canadian mutual life companies. The proposed regime ensures that, in allowing these companies to pursue demutualization, policyholder interests are fully protected. Demutualization could bring real benefits to Canada's large mutual life companies, their 2 million policyholders and the financial sector in general.

I would note that Bill C-59 received all-party support in the House of Commons and was passed expeditiously. I encourage all honourable senators to approve this legislation and send it to committee so that it may be fully scrutinized. If it then meets with the committee's approval, it can be brought back before this chamber as soon as possible.

On motion of Senator Lynch-Staunton, debate adjourned.

[Later]

## BUSINESS OF THE SENATE

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, let me first apologize to Senator Cohen for interrupting her. Normally, we would rise at this hour to permit committees to sit. I think there is general agreement, given that Senator Cohen and Senator Maloney both wish to speak, that for today we will allow the committees to sit even though the Senate is still sitting.

**The Hon. the Speaker:** Honourable senators, is there agreement that committees be allowed to sit?

**Hon. Senators:** Agreed.

## CHILD CUSTODY AND ACCESS REFORM

CONSIDERATION OF REPORT OF COMMITTEE—  
DEBATE CONCLUDED

On the Order:

Resuming debate on the consideration of the Final Report of the Special Joint Committee on Child Custody and Access entitled: "For the Sake of the Children," tabled in the Senate on December 9, 1998.—(*Honourable Senator Cohen*).

**Hon. Erminie J. Cohen:** Honourable senators, I rise today to speak on the report of the Special Joint Committee on Child Custody and Access, "For the Sake of the Children."

I begin my commentary on the report with a sincere thank you to Senator Landon Pearson for her commitment and dedication as the co-chair of this often emotionally charged committee. Senator Pearson is well known as a child advocate and for her unending devotion to their rights. I believe that it was this unwavering dedication which guided us and kept us focused on our mandate: the best interests of the child.

My Senate colleagues are to be commended for their dependability, their constant presence and their valuable input. I have served on many Senate committees, honourable senators, but this was my first experience as a member of a joint committee. I immediately sensed a difference. At Senate committee meetings we treat each other and our witnesses with great respect. Unfortunately, that was not always the case on this committee.

The environment in which this joint committee met was often more volatile and emotional, probably due to the subject matter we were covering. On many occasions witnesses, both men and women, were reduced to tears. On one occasion, a translator had to leave her booth because she was overcome with emotion. It was very difficult to maintain an objective perspective while listening to heart-wrenching testimony.

It is always unsettling to be a witness to public pain and controversy. I know that most committee members made the commitment from the very beginning to hear testimony with an open mind and an unbiased ear, in order to enable them to gain a new understanding of the problems of custody and access, not from the standpoint of mom or dad, but from a child-centred perspective.

That kind of approach, however, does not sell newspapers. At every turn, differences within the committee were overblown and the press often exploited our deliberations. This made our original commitment extremely difficult to maintain. I commend the members of the committee for their discipline and focus. It was a struggle. However, I feel confident that we did the best that we could do. For the most part, we were sympathetic to the concerns of a broad range of witnesses.

Although every member of the committee could probably express some reservations about the report and the resulting recommendations, I feel that the report fairly and accurately describes what the committee heard and read, and the recommendations address the major problem areas.

During the hearings, and almost from the start, it was emphasized repeatedly that the language used to describe parenting after divorce was a major problem, both conceptually and in practice. As a result, the committee recommended that the terms "custody" and "access" be replaced with those of "shared parenting," based on the concept of parental responsibilities.

The concept of shared parenting is one of the main cornerstones of this report. It made sense to have this shift reflected in the legal terminology. Shared parenting does not necessarily mean a 50-50 arrangement, but it does mean that no

longer would there be a primary caregiver and a second parent with just "access" to the children. This new concept would, it was hoped, benefit the child. By neutralizing the language and concepts, the committee hoped that some of the adversarial elements present in divorce proceedings would be lessened. We also wanted to emphasize the fact that if a child had two parents prior to divorce, a child had a right and a need to those same two parents after divorce.

On Thursday, January 29, 1999, the Supreme Court of Canada decreed that spouses could divorce each other but not their children, which lends support to this very same idea.

When I first agreed to sit on the special joint committee, one area I wished to learn more about was the area concerning the rights of the grandparent. I had heard testimony from several grandparents who had been shut out of the life of a grandchild.

As a grandmother myself, I could understand their pain and devastation. Initially, I had hoped that we might find a way to give grandparents advance standing with the court, to allow them to apply for access during the initial deliberations between the two divorcing spouses. However, after numerous presentations from family law experts, it became apparent that this solution would not be legally prudent.

What we were able to do, however, was to include the need for contact with grandparents in the "best interest" test. While I had hoped for more, I am optimistic that if the best interest test is put in place in the Divorce Act, courts will understand and rule in favour of our intentions.

One subject that presented difficulties for me was the area of domestic violence and the attitude at times of some committee members. Since this is a subject close to my heart, I was prepared to distance myself from my experience and listen objectively to the witnesses. However, there were instances, honourable senators, when the need and function of battered women's shelters were discredited, and the integrity and honesty of the clients and staff was questioned and maligned.

As a patron of Hestia House, a shelter for battered women in Saint John, New Brunswick, and a board member since 1981, I am very aware of the valuable work of the front-line workers and of the situation that many women in my home city and province face when they are forced to flee violent partners. It was unthinkable to me that their pain and suffering was taken so lightly by some committee members.

While statistics gathered by government tell us that women in violent relationships are most at risk of injury and death when they are attempting separation and divorce, some committee members questioned why the issue of domestic violence needed to be addressed by our committee at all. It saddens me to report to this chamber that during some committee meetings, the issue of violence against women was not taken seriously, and occasionally scorned. Some members and witnesses countered that men are also abused in domestic situations just as often as women.



Honourable senators, I have never seen statistics to support this claim. However, even if that were true, does it make the fact that over 90 women are killed by their spouses each year less horrendous? Does it mean that we should close the doors and let victims suffer through whatever injury an abuser chooses to inflict? I fail to understand the usefulness of this tactic, and was certainly disheartened by it.

In the end, however, I am pleased to report that solid fact and research did win out over dubious and sensational claims. The report certainly recognized the importance of this issue and urged further research into this area, mainly because of the effect on children who witness violence. The report makes it clear that, even when there is no direct abuse, witnessing a parent being abused is as harmful to the child as direct abuse, and illustrates the need for this understanding to be reflected in custody decisions.

Recommendation 45 calls on the federal government to engage in further consultation with aboriginal organizations and communities across Canada. I sincerely hope that the federal government acts on this recommendation, because the issues presented were complex, and the need for us to respect aboriginal problem-solving methods was apparent. It is also interesting to note that there are several aboriginal remedies to problems arising out of custody and access issues that also could be studied and considered by the federal government.

After hearing many witnesses, it became apparent that one of the most efficient ways of minimizing conflicts between divorcing parents, and thus improving outcomes for their children, would be a nationwide implementation of a unified family court system or the expansion of existing ones.

This court system would have a beneficial impact by acting as an umbrella for the delivery of programs, such as education, mediation, case management, training of judges and lawyers, services to children and civil legal aid, and identifying high conflict situations. The majority of problems experienced by parents before, during and after divorce or separation lie not within the Divorce Act itself, but are a result of the problems with the structure of the justice system and the adversarial atmosphere of the application of the law. The unified family court is an innovative court structure designed to reduce the complications resulting from the shared jurisdiction over family law between the federal and provincial governments.

We heard from witnesses who found dealing with two levels of court — the federal court for their divorce matters and the provincial court for access problems — difficult. Created through federal-provincial cooperation, the unified family court combines federal and provincial jurisdiction over family law matters in one level of court. Federal-provincial cooperation is necessary to accomplish the combining of jurisdictions, the sharing of funding and the appointment of judges.

We also heard from many witnesses who felt that the judge hearing their case was not sufficiently familiar, in many cases, with family law. In many jurisdictions a provincial judge will have a variety of cases in one given day, in widely differing areas

such as traffic law, criminal law and family law. A unified family court system prevents this problem by allowing judges to specialize in family law.

Honourable senators, with the unification of the court, there is also a combining of support services, such as family counselling, enforcement and mediation services. This social arm of the court is not generally present to the same degree in non-unified courts dealing with family law matters. The presence of these programs is thought to be one of the chief advantages, as the court helps parties through their family law matters and may contribute to the non-litigation resolution of disputes.

I am pleased to report that my home province of New Brunswick has been operating this one-stop service for people seeking remedies under family law since 1982. Called the Court of Queen's Bench, Family Division, it provides information, screening and intake services, and legal counselling, mediation and enforcement services all under one umbrella.

I sincerely hope that all jurisdictions across Canada work with the federal government to implement a similar system. To do so will require cooperation and a willingness of the government to add resources. Many expert witnesses told us that the drastic cutbacks to legal aid and the courts had added significantly to the problems in family law.

Since the release of "For the Sake of the Children," I would like to report that I have received some interesting feedback about the recommendations the committee made. It seems that some feel we did not go far enough to ensure fathers' rights, and yet there are women's groups claiming that we have gone too far.

Honourable senators, as the special joint committee came to a conclusion, I heard myself explaining that we could not possibly give everything to everyone, but we were confident that we gave something to everyone. I sincerely hope that our recommendations will result in improved lives for certain members of the family, who, in the past, have had little or no voice — the children — and that the months of hearings and hard work will bear fruit for their sake.

**The Hon. the Speaker:** Honourable senators, if no other honourable senator wishes to speak, this item shall be considered debated.

## VOLUNTEERISM AND THE INTERNATIONAL YEAR OF OLDER PERSONS

### INQUIRY

**Hon. Marian Maloney** rose pursuant to notice of December 10, 1998:

That she will call the attention of the Senate to volunteerism and the International Year of Older Persons.

She said: Honourable senators, this is the first opportunity I have had to address the Senate and to express the honour I feel in representing the people of Northwestern Ontario and Etobicoke.



The Senate is an important institution in this country and brings together the perspectives of so many who have contributed so much to the framework of this country. I am proud to serve with you in making Canada a better place.

I would be remiss if I did not acknowledge the support of my husband and children. We have always approached community involvement as a family affair, and I am happy that they are here today as my most trusted advisors and greatest supporters, along with my neighbours and friends.

My appointment to the Senate has come after many years of community involvement in Thunder Bay and more recently in Toronto. My involvement has been motivated by my desire to give back to this country, which has given so much to me and my family.

Through that involvement, I have had the pleasure of meeting and working with thousands of people who share the same commitment to community that makes Canada the tolerant, generous country that it is. Many of those volunteers were older persons, and in this International Year of Older Persons, it is fitting that their contribution be recognized in this house.

Canada has always enjoyed an active and creative volunteer spirit. Countless men and women of all ages give freely of their time to many causes without expectation of recognition or reward. Statistics Canada recently released a survey which confirmed the generosity of spirit that is a hallmark of this nation. In that survey, it was found that 80 per cent of Canadians donate to at least one charity; 70 per cent of Canadians donate to more than one cause; 7.5 million Canadians do volunteer work; and 11.8 million Canadians are members of community organizations. The survey also expressed promise for our future in that 33 per cent of young Canadians are involved in volunteer work.

This was an important survey, not because it found that Canadians are generally community minded, but because these statistics capture, in some objective form, the contribution volunteers make to the quality of life we enjoy. Too often we take these contributions for granted. How many of us have asked for information at our local hospital, to be greeted warmly by a volunteer? Have we asked ourselves how much these volunteers save our health care system? In many communities, homes are protected by volunteer firefighters. Can we quantify the savings? In monetary terms, the contribution is immeasurable.

Volunteerism not only helps to build our communities, but it also builds bridges between communities. Through volunteerism, Canadians are given a sense of perspective on how others in our diversified country live, whether it be understanding the pains of those who suffer, the challenges of those who live in poverty, or the perspective of another cultural group. Volunteer work promotes understanding. This is a caring country because we reach out across our differences to share our common experiences, whether they be painful or joyful ones.

In recent years, we have seen what makes this nation whole, when Canadians reach out to one another in times of need. The

flooding of the Red River and the Saguenay, and more recently the ice storm in Quebec and Eastern Ontario showed Canadians coming together to battle back the rigours of Mother Nature. Working side by side, Canadians set aside any difference they may have had and joined together in a common cause. They even came to help dig out Toronto.

• (1530)

I do not diminish these tragedies and their heavy toll, but in some strange way these events in the history of a country bring people closer together, fostering a sense of dependency, a sense of togetherness, and a sense of common destiny. It is these events that bring Canada together as a family.

Volunteerism is a critical part of the public good. Our government has taken steps to promote the interests of volunteerism in this country. It has created Volnet, a resource on the Internet to help volunteers and organizations which rely on volunteer support to exchange ideas, to identify new sources of volunteers, and to foster a greater volunteer spirit in the country.

Last week, the Supreme Court of Canada called on Parliament to review its definition of "charity" under our income tax legislation. That review should begin immediately and we should seriously consider the broadening of that definition so that all charities can share equally in the benefits of charitable status.

I should like to focus for a moment on the contributions made by one segment of volunteers in this country — the older person. As many of you are aware, 1999 has been designated the International Year of Older Persons by the United Nations. Demographics show that the face of the world is changing. It will come as no surprise to those in this chamber that we are aging as a society. Globally, one in 10 people is over the age of 60 and it is anticipated that over the next few years our lifespans will increase by almost 20 years. As our lifespans increase, the number of people over the age of 60 will increase to one in four.

As Kofi Annan, the Secretary-General of the United Nations, has said, "Our time is the age of longevity. Life is becoming less like a short sprint and more like a marathon." The International Year of Older Persons recognizes this reality and focuses our attention on the contributions older persons have made to our society and, more important, the contribution they will make in the future. The challenge, as presented by the United Nations, is to make our society a society for all ages.

I believe the International Year of Older Persons gives Canadians a unique opportunity to work toward a society that recognizes and addresses the needs, aspirations, and contributions of people of all ages. A society for all ages will promote the principles of independence, participation, care, self-fulfilment and dignity. These are universal principles applicable to all persons, no matter one's age, background or experience.

Capitalizing upon their wealth of experience, older persons have an important role in ensuring that all Canadians lead positive and fulfilling lives. Very often, this contribution is captured through volunteer work in our communities.

Having been appointed to the Senate only recently, I am familiar with what some have referred to as "grey power." Some years ago, I chaired Thunderama, a year-long festival marking the amalgamation of Fort William and Port Arthur into what is now known as Thunder Bay. In that year, I worked with many volunteers. The contributions of those who were older were immeasurable. They brought with them a sense of history, a sense of trusteeship for those who would follow after them, and a sense of promise that the community they were building would be a better place.

At Runnymede Hospital in Toronto, where I have also been active, I see that commitment every day. Older persons are active in all aspects of the hospital's operation, from fundraising to sharing a compassionate moment with someone who is ill or with a family member who is simply finding it too much to bear. No value can be affixed to these very human experiences.

As our society ages, older persons are meeting the challenges that an aging society imposes. Look to the village of Glancaster near Hamilton, Ontario where older persons have designed and developed their own community. This is a community built on the principles of empowerment, a community where older persons have shaped their own way of life and have done so on a volunteer basis.

These are but a few examples. There are simpler and equally as important ones. How many of us know of grandparents who look after grandchildren and help in that way to shape our future generation. In 1995, about 20 per cent of older Canadians looked after children in their own homes, offering a nurturing environment and allowing parents to work without worrying about the problems associated with childcare.

In this important year, when we recognize the contributions of older persons, let us renew our commitment to volunteerism. It is through the generosity and the giving of ourselves that we will contribute to a more tolerant and accommodating nation. Every person, no matter their circumstances, no matter their position in life, has a contribution to make, be it large or small.

As parliamentarians, we have a responsibility to encourage that community-minded spirit, to recognize those who contribute

so much to our community, and to find ways to bring people together in the interests of a common cause — that cause being Canada.

I urge you all to take part in the events in your community this year, even though I realize that you are all too young.

**Hon. Senators:** Hear, hear!

**The Hon. the Speaker:** If no other honourable senator wishes to speak, this inquiry is considered debated.

### PRIVACY COMMISSIONER

#### MOTION TO PERMIT COMMITTEE OF THE WHOLE TO EXTEND DATE OF FINAL REPORT

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition),** pursuant to notice of February 2, 1999, moved:

That, notwithstanding the Order of the Senate adopted on October 29, 1998, the Committee of the Whole, to which was referred the Report of the Privacy Commissioner for the period ended March 31, 1998, be empowered to present its report no later than February 18, 1999.

He said: Honourable senators, I have one word of explanation. Arrangements are being made for the Privacy Commissioner to appear before the Committee of the Whole. There remains only the matter of scheduling and timing. The current order would have required a report from the Committee of the Whole prior to the time at which we would have heard from the Privacy Commissioner. We hope to hear from him in a few days here in Committee of the Whole. That is the reason for the motion.

**The Hon. the Speaker:** Is it your pleasure, honourable senators, to adopt the motion?

**Hon. Senators:** Agreed.

Motion agreed to.

The Senate adjourned until tomorrow at 2 p.m.

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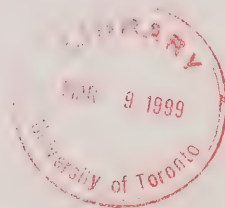
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OFFICIAL REPORT  
(HANSARD)

Thursday, February 4, 1998

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THE HONOURABLE GILDAS L. MOLGAT  
SPEAKER





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(Daily index of proceedings appears at back of this issue.)

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## THE SENATE

Thursday, February 4, 1999

The Senate met at 2:00 p.m., the Speaker in the Chair.

Prayers.

### THE HONOURABLE DALIA WOOD

#### TRIBUTES ON RETIREMENT

#### **Hon. B. Alasdair Graham (Leader of the Government):**

Honourable senators need not be told that national unity, in terms of the challenges presented by our vast, beautiful federation, is a daily act of will. The issue has always been with us. Perhaps a little historical perspective may reveal that many of the same questions have been asked by generations across the decades.

In 1891, our young federation appeared to be at a crucial crossroads, and in a letter to Edward Blake, Wilfrid Laurier confided his fears at the time. I quote briefly from that letter:

We have come to a period in the history of this young country when premature dissolution seems to be at hand. How long can the present fabric last? Can it last at all?

That was Sir Wilfrid Laurier in 1891. Today, 108 years later, as we edge into the dawn of a new century, some people, sometimes, continue to ask similar questions.

Many of us in this chamber have spent long and significant careers fighting the never-ending campaign in defence of the greatest multicultural federation on the face of the earth. Senator Dalia Wood has spent important years defending minority rights in her native Montreal, and has understood the importance of exercising day-to-day vigilance in the fight against all those forces which have tried to debilitate and weaken the will to be Canadian; all those forces within our country which reject cooperation and compromise, which reject tolerance and human rights, which reject all those values which are, and have been, the glue binding Canadians of all regions and all provinces.

In a speech in this chamber expressing her opposition to the removal of section 93 of the Constitution Act of 1867, she expressed concern about the protection of minority rights in her province. Lord Acton once said:

The most certain test by which we judge whether a country is really free is the amount of security enjoyed by minorities.

Whether her work was in her community or in the political arena, Senator Wood's life was guided by that principle, and as such, Dalia Wood has understood that freedom is about much more than rights; that it is about responsibility and day-to-day

action in the defence of one of the most fortunate countries in the world.

In her press release dated this past Monday, February 1, 1999, Senator Wood spoke of her pride in serving this institution for 20 years. She spoke of her pride in defending the interests of English-speaking Quebecers in the Senate chamber. She spoke of the many battles she had fought on their behalf, and the fact that many battles remained to be fought. She was referring, of course, to the daily struggle for peace, for freedom, for understanding, for compassion, and for respect for the rights of the individual.

Yes, Dalia Wood spent much of her life working for a word that too many of us overlook: a simple word, respect: respect born from true generosity, the generosity that must be shown within and from all of our communities, within and from all of our regions, within and from all of our provinces; respect from within and from the hearts and minds of all our citizens.

•(1410)

Unhappily, Senator Wood was forced to complete much of her work from a hospital bed, as a bad fall outside the Senate entrance led to a series of four difficult operations. She had spent much valuable time before this debilitating accident working as co-chair of the Joint Committee on Official Languages between 1984 and 1991. Senator Wood also served on the Internal Economy, Social Affairs, Health and Welfare, and Library committees. Now, although her spirit is willing, she has regretfully submitted her resignation from the Senate.

Before coming to this place, Senator Wood played a very active role in the politics of the day, having served as president of former prime minister Pierre Trudeau's home riding of Mount Royal and later as president of the Liberal Party of Canada in Quebec.

Pierre Trudeau spoke of his vision of Canada in 1968, and I quote from that speech:

Canada will be a strong country when Canadians of all provinces feel at home in all parts of the country and when they tell that all Canada belongs to them. We wish nothing more, but we will accept nothing less. Masters in our own house we must be, but our house is the whole of Canada.

Today we say a sad good-bye to a passionate Montrealer, Quebecer, and Canadian, a lady who understood better than most the hard work in constructing the infrastructure for that vision. Senator Dalia Wood, who wished for nothing more than respect, tolerance and a level playing field, would accept nothing less.

We wish Dalia well and express the sincere hope that she will enjoy peace of mind and improved health in the weeks and months ahead.



**Hon. Joyce Fairbairn:** Honourable senators, I, too, rise to pay tribute today to Dalia Wood, a long-time friend and colleague who has participated in the work of this chamber with spirit and commitment since her appointment 20 years ago. Dalia chose to retire this week because of continuing ill health. She described it as the most difficult decision she has ever made, and I can believe that. She loved this place. It was the focus of her life, just slightly behind her family and her beloved husband, Norm, who, in addition to his pride in Dalia, was also the most enthusiastic Canadian patriot I believe I have ever met.

Dalia consistently tried to get beyond the severe pain and difficulty of movement that she endured as a result of an accident a few years ago, and the complications which followed it. Her inability to do so in such a way that would permit her to maintain her high level of participation, both in this chamber and the committees in which she was active, drew her to the conclusion that it was time to leave.

She takes with her a great spirit based on common sense, and she leaves with us a challenge to stick to our values and our principles and defend with passion the unity of our country and the equal opportunity for all our citizens wherever they live, wherever they came from, whether English- or French-speaking.

Dalia came here as a businesswoman from Montreal who was a fierce fighter for maintaining the rights of anglophones in Quebec. She remained a strong and outspoken Liberal, and during the 1970s, she served as the president of the federal Liberal Party in Quebec and president of the Liberal riding association of Mount Royal, whose member of Parliament was Prime Minister Pierre Trudeau.

Dalia was not a passive president and never hesitated to come to Ottawa to give Mr. Trudeau his marching orders for the riding or any other topical issue that was on her mind. In the aftermath, I often reflected on her visits. She did not change in her years in this place. All of us knew exactly what Dalia thought, and she was consistent in delivering those messages in this house. She did not mince words.

As has been said, Dalia served on a number of Senate committees: Internal Economy, Health, Welfare and Science, Transport and Communications, and the Library of Parliament, but her unwavering priority was directed to those involving official languages. She chaired the Standing Joint Committee on Official Languages and served on a Special Joint Committee on Official Languages in the early 1980s, and the Special Senate Committee on Bill C-72 on the Official Languages Act, which lasted from 1986 to 1988.

Her most recent task was on the special joint committee to amend the Constitution, with changes to the Quebec school system on the question of denominational rights. She wanted this house to use its six-month suspensive veto on constitutional amendments so the resolution could be discussed further before a final decision was made. Her issue was the protection of minority rights in Quebec, and she spoke out strongly on behalf of the

thousands of citizens who had written to her about their concerns.

I end this tribute to my friend by quoting from her maiden speech in the Throne Speech debate, May, 1980, just before the provincial referendum which asked Quebecers to decide a convoluted question on sovereignty association. She said:

Honourable senators, in less than two weeks I will be afforded the chance to decide whether I want to remain a Canadian. Up till now I have been a Canadian without having to make a choice. Today the opportunity is given to me to express my thanks to Canada for having granted citizenship to my parents and grandparents. I now find myself in a position similar to the one they were in; that is, to make a choice as to which country I want to live in for the rest of my days. My choice must be Canada....

What I want is to remain both a Canadian and a Quebecer, and I must therefore vote "no" in the referendum.

Those words, honourable senators, remain a challenge to all of us. I hope that, in the years ahead, Dalia Wood will find new ways to raise her voice in continuing her battle for individual rights in a united Canada.

I thank her for her work here in the Senate, in the province of Quebec, and across the country, and I wish her many fine years ahead.

**Hon. Lowell Murray:** Honourable senators, on occasions such as this, the Honourable Leader of the Government frequently provides an interesting historical context for our consideration, and once again he has risen to the occasion with his reference to the now-famous letter written by Sir Wilfrid Laurier in 1891 to Edward Blake. In a moment of, I think, uncharacteristic pessimism, Sir Wilfrid feared for the future of the federation as he looked upon the fractiousness that seemed to be taking hold in various parts of the country.

The year 1891 was interesting. Sir John A. Macdonald died, and the torch then passed to the very first English-speaking Montrealer to serve as prime minister, Sir John Abbott. He was also the very first senator to serve as prime minister while sitting in this chamber.

In more recent times, the English-speaking community of Quebec has been represented by many distinguished advocates in this chamber. I do not wish to embarrass any of our present colleagues, but two from the fairly recent past who come to mind are former Senator Molson and the late Senator Goldenberg. There are others.

Senator Wood has been very much a part of that tradition. We arrived in the Senate just a few months apart in 1979, appointed, to be sure, by different prime ministers. We soon were joined in the very first joint Senate-House of Commons committee on official languages, where she distinguished herself and, later, became co-chairman from the Senate.

Senator Wood and I did not always see completely eye to eye. Regrettably, we did not see completely eye to eye on the Meech Lake accord. However, as Senator Graham and Senator Fairbairn have pointed out, she did not always see completely eye to eye with her friends and colleagues on the Liberal side, either. That was because she is a person of values and principles who has held to them stoutly and courageously throughout all her time here.

We did see very much eye to eye on the 1988 revision of the Official Languages Act, where her contribution in the debate during the committee deliberations was remarkably constructive, positive and well informed, in my opinion.

I simply did not wish to let this occasion slip by without expressing my own regret at her departure, my pleasure in having worked with her in various capacities over the years, and without expressing my respect and my admiration for her and for her work here. I wish her continued good health and a happy retirement.

[Translation]

**Hon. Marie-P. Poulin:** Honourable senators, I, as a Franco-Ontarian senator, wish to thank the Honourable Dalia Wood.

As an anglophone living in Quebec, Dalia represented the interests and the rights of minorities with passion and conviction. As a Franco-Ontarian, I, too, have the honour of representing a minority.

Honourable senators, all those who represent a minority in this country, whether from the east, the west, or the far north — or those who used to do so, including my two predecessors, Senator Desmarais and Senator Bélisle — have had, at times, very difficult choices to make.

I am convinced that Senator Dalia Wood also had to make such choices. She can leave this place holding her head high, knowing that she has made our group a better one by greatly contributing to its increased awareness of these issues. I wish Dalia a healthy and happy life.

[English]

**Hon. Jeremiah S. Grafstein:** Honourable senators, sometimes we in Parliament believe ourselves to be the lynchpins of unity, that it is mostly due to our efforts that we keep this country together. Sometimes we forget, and this occasion gives me pause to think about the activities of other active citizens who are interested in the country as citizens, and who play a superbly active, exuberant role in keeping the country together.

When I think of citizens like that, one of the first persons who comes to mind is the late Norman Wood, the husband of Dalia Wood, who was noted by Senator Fairbairn in her comments. Norman was an exuberant activist whom I met in the 1960s, before I met Dalia. Once he found out that I was interested in matters of national unity, he would phone me regularly and urge me to take a more active role in issues. I remember receiving

regular calls and notes from Norman about following the true and straight Liberal and federalist path.

It was subsequent to coming to the Senate that I got to know Dalia quite well. She and I served on the committee dealing with the amendment to the Quebec language bill. It was during that period that her fire and her exuberance was so evident. She believed strongly that the notwithstanding clause respecting section 23.1 was an unfair, unreasonable and inexplicable limitation on minority rights in Quebec. It was that proposition which animated much of our discussion in that committee.

I wish to pay tribute to Dalia. I know that the light was dimmed when Norman left her. I should like to wish her Godspeed and good health. She will be missed.

[Translation]

**Hon. Thérèse Lavoie-Roux:** Honourable senators, I would be remiss if I did not say a few words on the occasion of Senator Wood's departure. I did not know her for very long, but I got to know her best during the debate on the amendment to section 93 of the Constitution concerning Quebec's linguistic school boards.

She brought great intelligence and energy to bear in her fight to protect the rights of minorities in Quebec.

In response to her press release, I would like to tell her that I, too, am concerned about Quebec's minorities, as I am about minorities throughout the country. I will do what I can to carry on her work on behalf of Quebec's minorities.

Senator Wood, it has been a pleasure to have known you. I wish you good health. I would also like you to know that other senators will take up where you left off in addressing the difficult problem of minority rights.

I wish to thank you for your valuable contribution to our work in the Senate. I wish you a long and happy life. I have no doubt that you will find other ways in which to serve your fellow citizens.

[English]

**Hon. Peter A. Stollery:** Honourable senators, I should like to take a moment to say how sorry I am to learn that Senator Wood, for reasons of health, is leaving the Senate. I have known Senator Wood for more than 20 years. She worked very hard as a representative of her constituency in this chamber as well as in other areas of Parliament. I am sorry that she is leaving us. She is a fine woman and will be missed.

[Translation]

**Hon. Marcel Prud'homme:** Honourable senators, I was not aware that we would be paying tribute to Senator Wood, but I could not forgive myself if I missed this opportunity to say a few words on this public figure I have had the privilege of knowing for so long.

You may not know it but Dalia Wood has Italian blood that heated debates would bring to the surface, showing her strength of character.



Dalia Wood and I both sat as members of the Liberal Party, an affiliation I never relinquished either intellectually or emotionally. She was president of the Mount Royal Federal Liberal Riding Association in the 1970s and 1980s. Believe it or not, at the same time, she became president of the Quebec chapter of the Liberal Party of Canada, as well as secretary-general of the Liberal Party in Quebec.

I notice that my good friend, Senator Léonce Mercier, is smiling because that is when he and I met. He succeeded Dalia as secretary-general of the Liberal Party.

Dalia was never afraid to speak her mind. In her speech, my good friend Senator Fairbairn spoke of the great passion with which Dalia Wood defended the NO side in the 1980 referendum. You may recall that Dalia and I vigorously opposed the constitutional amendments put forward by Newfoundland and Quebec on the school board issue.

I continue to believe, as she does, that we made a mistake when we let ourselves be influenced by the province of Newfoundland, which deprived a minority of its rights, and then again when we allowed the constitutional amendments in Quebec on religious education.

Even the bishops were extremely naïve in exchanging a constitutional right for a government promise. That was the bottom line in the school debate in Quebec. Senator Hervieux-Payette shares my opinion on this, moreover.

Dahlia Wood is a woman of strong character. She could well write her memoirs, and I hope she will. You would learn a lot from them.

[English]

We would learn so much if Senator Wood were only to write her memoirs. As I told you, she was president of Prime Minister Trudeau's riding from 1971 to 1979, and then she became president of the party. She knows all the stories of that difficult period. I happen to share these secrets with her because I was president of the Quebec Liberal caucus. Every time the Quebec Liberal caucus was stuck, I was elected. I have to tell you that I was elected on a secret ballot. I never would have been elected in a public show of hands. I never understood why I was elected so often by secret ballot, but never could succeed in getting elected or getting a job, even a job on the Foreign Affairs Committee in the Senate, for which I am still waiting.

Senator Carstairs, I need some friends. I have lost my patience. I think it is a joke.

The press has not served Senator Wood well. What she did for the English-speaking minority in Quebec — and it was her right — is what all of you should do for your own minority. Senator Poulin has expressed that very well.

We need champions for various causes. What is the Senate all about? Senator Wood understood that and we shared that opinion. She told me, time and again, that senators should realize that they are here for something, not to be a rubber stamp for the House of Commons. I have no shame in saying that to them.

When members of the House of Commons start talking, in my presence, about the Senate, they back off quickly because they know I will challenge them in their districts. I am ready to do it.

Senator Wood told us that the Senate has something to accomplish. We may not agree with her. Some of you may not know that she is an Italian of English-speaking education. However, when she decided she would stand up for the English-speaking minority in Quebec, no one could change her mind.

When I look at my friends Senator Johnstone and Senator Phillips, champions of the veterans, I am concerned because this has been a year of departure by senators who champion causes.

Senator Wood is a very fine, but tough, lady. You would not believe how tough she could be in a discussion. However, one can do nothing else but love her very much.

Honourable senators, I hope that we will all reflect today by saying that maybe we should all be champions of various causes. In my view, that is what the Senate is all about. If it is not, I do not know why we should painfully try to justify our existence. Yet I know that we should justify our existence. I know that we should exist, but I also know that we should champion causes. For example, Senator Whelan has championed agricultural issues. Who has been a greater champion for agriculture in this country than Senator Whelan? Prime Minister Trudeau was lucky to have Senator Whelan. Who has been a greater champion for the French-speaking minority in Ontario than Senator Jean-Robert Gauthier, who is here with us today?

My friend Senator Nolin just said that he is about to join the ranks of the independent senators. I am very pleased to hear that. He says we should break our chains of partisanship.

Honourable senators, I could go on and on about the reform of the Senate. Perhaps we should use Senator Wood's departure, and I am sure she would agree, to do something different than the Senate of the United States of America, which sits *in camera* to hear testimony from certain witnesses. Here we should do otherwise. We should some day have an *in camera* session on Canada just among ourselves. What can we do to preserve this great country of ours?

I spoke last night at the Eid festival held in Ottawa. Many people were there who I had not seen in some time, from Minister Art Eggleton to Minister Jim Peterson. The Muslim community of Canada is the biggest, fastest-growing electorate in Canada. They are a well-organized group of fine Canadians. I said exactly what I am saying here today. They want to retain their various cultures.

[Translation]

I, Marcel Prud'homme, want to remain true to myself. I would never describe myself as a "French Canadian and a Catholic."

[English]

However, that is what I am. Imagine last night, speaking to Canadian Muslims, most of them speaking English, plus their own languages. Where else in the world could this happen?



That is what Senator Wood kept saying to us. What do we do to make people understand? She is always herself and I am always myself, and we are friends. That means we are determined, and that is the definition of Canada. Be yourself, and then you can brag at the United Nations and tell the people of Kosovo what they should do. We must first respect each other as minorities at home.

•(1440)

Senator Wood has shown that she could stand against her own party. That was more difficult for her than for me; I was here alone, although I am no longer so. I do not know why they have split the independents' seats, by the way. I see senators who would love to join me on this side. I am talking about Senator Wilson.

Having covered all the ground, I should sit down and say: "Senator Wood, please come back and see us."

## SENATORS' STATEMENTS

### PRINCE EDWARD ISLAND

#### CONGRATULATIONS TO THREE INDUCTEES FOR 1999 INTO BUSINESS HALL OF FAME

**Hon. Catherine S. Callbeck:** Honourable senators, as we have all come to realize, small and medium-sized businesses are truly the fuel that drives the economic engines of Canada. Canadians from coast to coast are grateful to these small entrepreneurs for their weekly paycheques and for the opportunity to live and work in the greatest country in the world.

It was recently announced that three remarkable entrepreneurs would be honoured in my home province with their induction into the Prince Edward Island Business Hall of Fame. The late William "Billy" Rix, the late Robert T. Holman, and my friend Harry MacLauchlan, are the 1999 inductees into this very prestigious group.

I can truly say that Harry MacLauchlan is one of the greatest businessmen in our province today. Harry MacLauchlan developed his keen business sense very late in his life. As the owner-operator of a general store in Stanhope, P.E.I., many lessons were learned as he worked through that store as a fish buyer, wood supplier and a transporter of raw materials. Through the years, however, Harry's business empire grew through his involvement in several companies. Topping the list of these companies are Island Coastal Services, Island Petroleum Products, Island Cablevision, Commercial Properties Ltd. and H.W. MacLauchlan Ltd.

Harry MacLauchlan also devotes a great deal of his time to many volunteer and worthwhile causes. He is obviously a deserving recipient of this honour, as is the late R.T. Holman, who was certainly the leading businessman of his day. In fact, R.T. Holman stands with few peers as one of the outstanding businessmen in the province's history. He established

R.T. Holman Ltd., which was the leading and largest department store in Prince Edward Island.

The success of the department store led to many other ventures for R.T. Holman, including hotel and tourist operations, shipping activities, and the export of lobsters, as well as publishing a Prince County newspaper. He was also active in the Summerside Electric Company, and a director of the Summerside Bank.

The third inductee, Bill Rix, was also an innovator, a true business pioneer. Together with the late Carl Burke, Mr. Rix started Charlottetown Metal Products, one of the first metal fabrication companies in Atlantic Canada to specialize in aluminum and stainless steel welding and fabrication. As someone who was not afraid to take risks, companies controlled by Mr. Rix undertook construction of modern fish plants in Cuba, and the design and equipping of similar plants in Europe, Africa and Australia.

Mr. Rix went on to establish breweries in both Prince Edward Island and Nova Scotia, and was involved as a director in several other organizations. These include the Prince Edward Island Development Agency, Industrial Enterprises Inc., the Export Development Corporation, and National Sea Products.

These three fine gentlemen will be inducted into the Business Hall of Fame during a gala awards dinner at the Prince Edward Island Hotel, in Charlottetown, on May 27. I know all honourable senators will join with me in congratulating the inductees and their families. The contributions of these fine men will benefit Islanders for generations to come.

### INTERNATIONAL OLYMPIC COMMITTEE

#### ALLEGATIONS OF CORRUPTION AGAINST MEMBERS— SUPPORT FOR RICHARD POUND, DEPUTY CHAIRMAN

**Hon. W. David Angus:** Honourable senators, I rise respecting one aspect of the statement made yesterday by my friend and colleague Senator Atkins on the subject of the International Olympic Committee. I refer particularly to the senator's unfortunate suggestion that Mr. Dick Pound has, in some way, acted improperly and should consider resigning from the International Olympic Committee.

May I say, honourable senators, that although I have been associated with Mr. Pound for a great number of years in the same law firm, I speak today very much in my own right, and because I share Senator Atkin's belief in balance and fair play.

Mr. Pound is a most distinguished Canadian who has enjoyed an extraordinary career in a variety of fields, both in business and in public service. His accomplishments have been well recognized *inter alia* by his appointments to the Order of Canada, the Order of Quebec, and by numerous others honours bestowed upon him by virtually every country in the civilized world.

Less than a fortnight ago, he was named Chancellor of McGill University. Before that, he served for five years on McGill's board of governors.

Senator Atkins referred to fairness and a level playing field. However, I suggest his particular remarks about Mr. Pound were less than fair. Perhaps they were made in that spirit unwittingly.

To set the record straight, the complex and unique structure of the IOC was designed precisely to avoid a system of national representation. In other words, Mr. Pound is not a nominee of Canada; he serves on the IOC in his own right. The independence of the IOC allows them to make decisions in the interests of the Olympic movement, without being bound to reflect a national interest or position.

Transparency in deliberations and elections is as broad as it is long. It is more likely to lead to wrong decisions out of political or regional considerations than on the merits of a particular candidacy. For example, the U.S.S.R. bloc, in the old days, Latin American or African solidarity. Secret ballots were introduced precisely to avoid such outcomes. The Olympic world has not linked itself to a government or corporate model, and ill-considered imposition of such models will inevitably produce anomalous or inappropriate ruts.

Dick Pound has declared repeatedly in public that the corruption attempt made to him personally was not in the context of candidate cities' activities. He has made it clear that it was refused outright, and duly reported to the IOC president.

Senator Atkins made it sound as though innocence is no longer a defence. In Canada, as we know, it is a fundamental principle that one is always presumed innocent until proven guilty.

The president of the IOC, Mr. Samaranch, has stated that he does hold himself accountable for the Olympic corruption problems as well as for resolving them. The members of the IOC, including Mr. Pound, would appear to support him in that endeavour.

Honourable senators, it strikes me as a shame that a member of this chamber would suggest that a member of the IOC who happens to be a Canadian citizen and has served the Olympic movement with distinction as a volunteer for so many years — since 1983 and perhaps even before — and who has raised the influence of Canada at the highest levels of international sport, should resign over an issue which he cannot personally control.

In case Senator Atkins was not aware of it before making his statement, it should be noted that the IOC has, in recent days, imposed radical changes on the selection process for Olympic host cities. There will now be no visits by IOC members to candidate cities, no visits by candidate cities to IOC members, and a restricted selection college to make decisions or to choose finalists. In these circumstances, Canada will be playing on a level playing field, just as Senator Atkins requested.

Honourable senators, Dick Pound deserves fairer treatment and, at the very least, open minds from members of this chamber, especially considering the outstanding work he is doing presently to clean up the Olympic movement, the whole as described in the most recent issue of *Maclean's* magazine, dated February 8, which features Mr. Pound on its cover with the heading:

Saving the games — Canada's Richard Pound fights to clean up the Olympics. Why Juan Antonio Samaranch has to go.

## FORESTRY

### CRISIS IN INDUSTRY IN BRITISH COLUMBIA

**Hon. Gerry St. Germain:** Honourable senators, I rise today to speak of the continuing crisis in the Province of British Columbia forest industry, and the direct impact it is having on the lives of many British Columbians. Let me bring you up to date on the current situation, focusing mostly on northern British Columbia, whose residents have suffered and continue to suffer the most due to this ongoing crisis.

•(1450)

Three hundred thousand jobs depend directly on the forest industry in B.C., or about 15 per cent of the total employment in the province. The industry contributes about \$19 billion annually to the economy of British Columbia, accounting for roughly 20 per cent of the total GDP of the province. The provincial government draws approximately \$4 billion annually from the industry, which is over 22 per cent of all provincial revenues.

Thus, fellow senators, if there is a crisis in the British Columbia forest industry, there is a crisis in British Columbia, especially in rural and northern British Columbia.

The extent of the crisis is massive. In 1998, over a dozen mills closed permanently with another dozen more halting operations indefinitely, resulting in more than 15,000 lost jobs this past year alone. This year looks even worse than 1998. Twenty-eight mills — 25 in the interior and three coastal — may close, resulting in another 26,000 lost jobs in the forestry sector.

However, honourable senators, these facts and figures do not tell the complete story of how the crisis in the forestry sector has affected the people living in the northern part of our province. The spin-off effects of the mill closings and layoffs have resulted in a tidal wave effect that threatens to drown the remaining businesses in these communities.

Over the past months, I have been focusing on the impact of this crisis on one community; namely, Prince George. I have compiled a huge amount of information on how devastating the crisis has been in that area. In the past couple of months, four mills have announced closure or have closed, resulting in the loss of 2,320 jobs. The crisis in the Prince George forestry sector is also being felt in other sectors of the local economy. As a result, personal bankruptcies are up 66 per cent and business bankruptcies are up 33 per cent.

Why is this happening? There are three major reasons. The first is high stumpage rates. The second is high costs due to the severe Forest Practice Code in B.C. The third is the Canada-U.S. Softwood Lumber Agreement.

While the first two issues, stumpage rates and the Forest Practice Code, are serious impediments to the industry, both are the responsibility of the province. However, the Canada-U.S. Softwood Lumber Agreement is the responsibility of the federal government. While the U.S. has experienced tremendous growth in housing starts, the B.C. forestry sector has been shut out of the benefits of this growth. While governments want to blame the slowdown on the Asian flu, the fact is that the principal market of 70 per cent of the province's forest industry, which is located in the northern interior, is North America.

The government said this agreement would protect the industry against countervailing actions from the United States and stabilize the industry. The truth is that the government has done nothing to stop this harassment. We have to do something for British Columbia citizens, especially those in the north.

## ROUTINE PROCEEDINGS

### A BILL TO CHANGE THE NAME OF THE ELECTORAL DISTRICT OF STORMONT—DUNDAS

#### REPORT OF COMMITTEE

**Hon. Lorna Milne**, Chair of the Standing Senate Committee on Legal and Constitutional Affairs, presented the following report:

Thursday, February 4, 1999

The Standing Senate Committee on Legal and Constitutional Affairs has the honour to present its

#### EIGHTEENTH REPORT

Your committee, to which was referred Bill C-445, An Act to change the name of the electoral district of Stormont—Dundas, has, in obedience to the Order of Reference of Wednesday, December 9, 1998, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

LORNA MILNE  
*Chair*

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the third time?

On motion of Senator Rompkey, bill placed on Orders of the Day for third reading at the next sitting of the Senate.

### A BILL TO CHANGE THE NAME OF THE ELECTORAL DISTRICT OF SACKVILLE—EASTERN SHORE

#### REPORT OF COMMITTEE

**Hon. Lorna Milne**, Chair of the Standing Senate Committee on Legal and Constitutional Affairs, presented the following report:

Thursday, February 4, 1999

The Standing Senate Committee on Legal and Constitutional Affairs has the honour to present its

#### NINETEENTH REPORT

Your committee, to which was referred Bill C-464, An Act to change the name of the electoral district of Sackville—Eastern Shore, has, in obedience to the Order of Reference of Wednesday, December 9, 1998, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

LORNA MILNE  
*Chair*

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the third time?

On motion of Senator Comeau, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

### A BILL TO CHANGE THE NAME OF THE ELECTORAL DISTRICT OF ARGENTEUIL—PAPINEAU

#### REPORT OF COMMITTEE

**Hon. Lorna Milne**, Chair of the Standing Senate Committee on Legal and Constitutional Affairs, presented the following report:

Thursday, February 4, 1999

The Standing Senate Committee on Legal and Constitutional Affairs has the honour to present its

#### TWENTIETH REPORT

Your committee, to which was referred Bill C-465, An Act to change the name of the electoral district of Argenteuil—Papineau, has, in obedience to the Order of Reference of Wednesday, December 9, 1998, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

LORNA MILNE  
*Chair*



**The Hon. the Speaker:** Honourable senators, when shall this bill be read the third time?

On motion of Senator Maheu, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

[Translation]

## ADJOURNMENT

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(h), I move:

That when the Senate adjourns today, it do stand adjourned until Tuesday next, February 9, 1999, at two o'clock in the afternoon.

**The Hon. the Speaker:** Is leave granted, honourable senators.

**Hon. Senators:** Agreed.

Motion agreed to.

[English]

## QUESTION PERIOD

### NATIONAL DEFENCE

#### USE OF RELABELLED ANTHRAX VACCINE DURING RECENT PERSIAN GULF EXERCISE—STATEMENTS OF MINISTER ON TESTING—GOVERNMENT POSITION

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, yesterday the Minister of National Defence gave two conflicting statements concerning the testing of the anthrax vaccine before it was given to Canadian troops. In the House of Commons yesterday, the minister said that the vaccine was fully tested by our medical people. Then, outside the chamber, the minister said that the testing was done by a company in the United States, but it was not the same company that did the manufacturing. The American firm Mitretek has said that they only reviewed testing done by the company that manufactured the vaccine, the Michigan Biological Products Institute.

•(1500)

Can the Leader of the Government in the Senate tell this chamber whether or not the anthrax vaccine was tested by Health Canada, National Defence, or any other Canadian government agency, before it was given to Canadian troops? If not, was any testing done other than by the manufacturer? If the answer to both these questions is in the negative, can the minister tell us why the Minister of National Defence was not aware of this yesterday?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I understand that in response to a question in the House, the Minister of National Defence stated that Canadian authorities tested the vaccine. Outside of the House, he sought to clarify his statement by saying that, in fact, the testing had been conducted by two private firms.

**Senator Kinsella:** Honourable senators, the information being made available to Parliament indicates that, at the very least, shoddy procedures were in place to ensure that this vaccine was safe for Canadian troops. We are hearing, for example, that vials were relabelled. For instance, vials that had been labelled with the date of 1993 were changed to read 1998 which, if they were properly labelled 1993, would mean that the anthrax vaccine was unstable. We have also heard about problems in the lab with cleaning equipment, as well as there being mould in the samples of the vaccine, and vials not being properly sealed.

Can the Leader of the Government in the Senate please explain what measures are being taken to determine the risks our Canadian troops face as a result of receiving outdated and apparently contaminated anthrax vaccine?

**Senator Graham:** Honourable senators, I am not aware of any risks, and those responsible continue to insist that there are no risks.

The anthrax vaccine given to Canadian Forces personnel in the Gulf was the same as that used by U.S. forces in the region. I understand that at the request of the United States Department of Defence the manufacturer of the vaccine, Michigan Biological Products Institute, retested its stocks of the vaccine which had passed the expiry date of 1993. Presumably, Senator Kinsella, this is why you would find the difference in dates. They had passed their expiry date of 1993, but the tests which were conducted and which were monitored by an external organization found that the vaccine remained effective. As a consequence, the expiry date was extended.

To this point, no pattern of health problems connected to the use of the vaccine has emerged in either the United States or Canada.

### CAPE BRETON DEVELOPMENT CORPORATION

#### ANNOUNCEMENT OF MINE CLOSINGS IN CAPE BRETON— CONSEQUENCES OF MEMO ON CLOSURE OF PHALEN MINE— REQUEST FOR COPY—GOVERNMENT POSITION

**Hon. John Buchanan:** Honourable senators, I wish to direct to the Leader of the Government in the Senate a few questions concerning Devco.

Yesterday, I mentioned in my questions on this matter that Premier MacLellan was unaware of some parts of the announcements. What he actually said was that he was not satisfied with the announcements made by the minister. When he was asked by one of the miners if was he aware or if he had been consulted about early layoffs, he replied that he had been told by the minister that there would be no layoffs for 24 months. I mention this in order to correct the record.

It was a memo from Devco which caused the miners to ask questions about early layoffs. The memo was circulated one day after the federal announcement. It stated that circumstances could develop which could lead to an immediate closure of Phalen colliery. This certainly was not what the minister announced, and it was something about which the premier was unaware.

Can the Leader of the Government in the Senate tell us if he was aware of such a memo from Devco? If he was aware of it, what are the consequences of an immediate closure of Phalen, as opposed to its closing in 24 months as was announced by Minister Goodale?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I thank the Honourable Senator Buchanan for clarifying the issue as to what was said by Premier MacLellan. As a matter of fact, if he had pursued that line of questioning, I would have asked Senator Buchanan to tell me where Premier MacLellan had indicated that he was not fully informed prior to the announcement.

Indeed, with respect to the layoffs, I think Premier MacLellan indicated that he was aware that there might be 18 to 20, or something in that order, prior to the expiration of the 16-, 18- or 20-month period.

I have been made aware of the memo. However, I have not seen the memo, which allegedly was circulated at the collieries last Friday. The circumstances which would lead to the immediate closure of Phalen would be something that is not uncommon in the very risky business of coal mining, in particular underground coal mining. I refer to a geological problem, a bump, an explosion, an accident, an incursion of water, or some other occurrence.

**Senator Buchanan:** Honourable senators, I agree with the minister. As he may recall, it was a rather boisterous press conference which was held last Friday in Cape Breton. There were three or four different reports as to what was said by some union members, some miners and some business people. The remark made by Premier MacLellan was that he was not satisfied with the announcements and that he was unaware of an immediate closure as stated in the memo.

Would the Leader of the Government in the Senate undertake to obtain a copy of that memo and table it in the Senate in order that we may see what Devco said. I ask this because there were reports that unless the miners continued a certain level of production, there could be an immediate closure of Phalen. Of course, that infuriated many of the miners who were at the press conference.

**Senator Graham:** Honourable senators, I would be happy to obtain a copy of the memo for my honourable friend. As to a possible reason for an immediate closure, I have mentioned everything from geological problems to explosions, to water seepages, incursions, or it could even be related to production.

My feeling has been that the miners are most anxious to ensure the highest levels of production possible at the Phalen mine. This

would ensure that it continues operation over the period of time that it would take to get the large block of coal in what is known as 8 East out and on to the market.

However, if some other major problem occurred which would drastically lower production levels, then I am sure that a responsible management would have to take into consideration the consequences of any such action.

**Senator Buchanan:** Honourable senators, I certainly agree with what the Leader of the Government in the Senate has just said. There is no question that what he said may happen. It is most unfortunate that that kind of a memo would come out within hours after the federal minister was in Cape Breton to make his announcement regarding closure in 18 to 24 months, something which the premier also said.

•(1510)

In addition to that, I would make very clear — and I know you would agree with this — that production levels at Phalen will be as high as they can be, unless there is some kind of a disaster such as rock bursts and falls, because the miners at Phalen are probably the best you will find anywhere in North America, as are the miners at Prince, including, I may say, some relatives of the Leader of the Government in the Senate.

ANNOUNCEMENT OF MINE CLOSINGS IN CAPE BRETON—  
EFFECT OF STATEMENT OF MINISTER ON SEVERANCE  
PACKAGE FOR MINERS—GOVERNMENT POSITION

**Hon. John Buchanan:** I have another question on Devco, and it is in connection with yesterday's paper and an article headed, "Development bucks could go to miners — Goodale":

The federal government may be willing to sweat the support package being offered to hundreds of Devco miners, but it would be at the expense of efforts to diversify Cape Breton's economy...

That statement, of course, smacks of taking it in with one hand and putting it out with the other hand, using exactly the same money.

Was the Leader of the Government in the Senate aware of the statement made by Minister Goodale that there will be no new money for the miners themselves, that is, in their severance packages, pension packages, but that there could be a transfer of economic development money to the miners?

**Hon. B. Alasdair Graham (Leader of the Government):** The package is as I outlined it yesterday. I am not aware of any official discussions where the new economic development money of \$68 million, or any part thereof, might be transferred to the human resources fund which would include early retirement, severance, and training.

**Senator Buchanan:** I will refer the Leader of the Government in the Senate to yesterday's the *Halifax Chronicle-Herald*, the first page. The minister is simply saying, and I will repeat, "...but it would be at the expense of efforts to diversify" the economy.



As you may know, Mayor David Muise of the Cape Breton Regional Municipality was the first one to make the suggestion that the \$68 million be transferred to the miners' severance and pensions. His statement, as I recall it, was that it would take something in the range of about \$300 million. In fact, it is here on the second page:

Mayor David Muise of the Cape Breton Regional Municipality first made the suggestion to hand the \$68 million to the miners.

I am saying that it would take at least \$350 million for economic development in Cape Breton to survive after Devco.

Is the minister aware of the comments made by the very able mayor of the regional municipality who served in the Nova Scotia legislature?

**Senator Graham:** Honourable senators, let me go back to comments made by Senator Buchanan in his second question of the day. He referred to the quality of the miners as being the best in North America. I certainly would agree. As a matter of fact, the week before last I had three or four meetings with representatives of the United Mine Workers here in Ottawa. They met with the Prime Minister and with the Secretary of State for ACOA, Mr. Mifflin; they met with senior people in the offices of other ministers involved with the future development of either Devco or the overall economic development of Cape Breton.

The honourable senator mentioned Mayor Muise. At the request of Mayor Muise, I met with the Cape Breton Municipal Council for two hours on Thursday night. We had a very good exchange with His Worship the Mayor and with all of the councillors who were able to attend. At that time, the mayor and all of the councillors wanted to have a say in how that new \$68 million fund would be spent on economic development initiatives. That was the thrust of their argument at the time. You would have to ask Mayor Muise how he went from where he was on Thursday night to where he found himself on Friday morning.

In addition to the economic development money, we have already discussed the \$111 million and the pension funds. That includes \$60 million towards the early retirement pension fund, \$46 million for severance, and \$5 million for training. The new \$68 million in economic development funds would be added over four years to the average total over four years of \$80 million that would be channelled through ECBC and ACOA, in addition to the \$140 million over four years which would normally flow from Human Resources Development Canada through active employment measures. If you add those figures up, you will get pretty close to what we are talking about with respect to the required economic development funds for that particular part of the country.

**Senator Buchanan:** I am not saying everything in the *Halifax Chronicle-Herald* is gospel. You and I know that it is not. I will just repeat, so that we are both on the same playing field here:

Mayor David Muise of the Cape Breton Regional Municipality first made the suggestion to hand over the \$68 million to the miners.

But Mr. Muise said Tuesday the region needs at least five times that amount in economic development, at least \$350 million, if it is to survive after Devco closes.

I will just leave you with that. It was in yesterday's paper.

There is a lot of uncertainty about the severance package and the pension. I have heard three or four different comments about it, one from some miners to the effect that when they get their severance, they are not eligible for employment insurance. Is that correct or incorrect?

**Senator Graham:** That is a matter which would need to be worked out between the union and the management. It is part of the collective bargaining agreement that would have been signed in 1996, but I would be happy to inquire further.

ANNOUNCEMENT OF MINE CLOSINGS IN CAPE BRETON—  
EFFECT ON FUTURE OF DONKIN MINE—GOVERNMENT POSITION

**Hon. John Buchanan:** I have one further supplementary, and it has to do with my favourite topic, Devco and the Donkin mine. We commenced the Donkin mine back in 1980 with the delineation of the coal seams in the Sydney coal fields off Donkin, and Allan J. MacEachen and the government of the day continued to work on that by financing the drilling of the two tunnels. It is most unfortunate, in my opinion and that of many others, that the Donkin mine was not completed through the early 1980s, because then we would not be in the situation that we are in today. We would have a long term plan for Devco, with a brand new mine, and Phalen could close without any difficulty. However, that is hindsight, and that will not happen as we had hoped.

What is the situation with the Donkin mine? The federal government and Devco have clearly stated that they will not do anything with Donkin. What is the latest with regard to Steve Farrell and his group taking over the Donkin seams and completing the mine?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, my understanding is that there have been ongoing discussions between Devco and Donkin Resources Limited with respect to the leases that could or could not be available.

Incidentally, I have added up the figures on my earlier suggestion that we are getting close to the economic development funds that the mayor suggested might be needed. If you take the \$68 million of new funds and the \$80 million which would be disbursed under normal conditions through ACOA and ECBC over a four-year period, and add \$140 from Human Resources Development, it adds up to \$288 million.

**Senator Buchanan:** You are getting there.



## NOVA SCOTIA

## DEBT INCURRED BY SHEARWATER DEVELOPMENT CORPORATION—POSSIBLE SALE OF CERTAIN WATERFRONT LANDS HELD BY CORPORATION—GOVERNMENT POSITION

**Hon. J. Michael Forrestall:** Honourable senators, that will require some calculations and, no doubt, some study.

May I take the minister through some more mathematics and study in dealing with Shearwater? We have been told that the mandate of the Shearwater Development Corporation will come to an end on February 8, that is, Monday of next week. The Leader of the Government in the Senate will be aware that approximately a year ago, when I asked questions about the development fund and the extent of the work that had gone on, the response of the government was that \$2.6 million had been extended. Yesterday, we saw that figure rise to \$2.8 million. We now know there is a \$660,000 debt, taking the total to \$3.5 million.

Has a deal been worked out with the province that will forestall the ending of the arrangements between the Government of Canada and the Shearwater Development Corporation next Monday?

Can the minister also tell us who authorized the continuing expenditure of funds at Shearwater if, as the government has already stated, the funds ran out a little over a year ago?

Who authorized and who guaranteed the \$660,000 debt?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I will try to respond to the last part of the question first. The Shearwater Development Corporation is a private corporation overseen by its own board of directors. It makes its own decisions and is responsible for its own financial obligations resulting from its operations.

With respect to the negotiations for the sale of Shearwater land that may be available, I understand that the Department of Public Works and Government Services, on behalf of the Department of National Defence, is negotiating with the Province of Nova Scotia to transfer surplus property at the site of Shearwater to the province.

**Senator Forrestall:** Could the minister indicate what lands are surplus?

**Senator Graham:** There is a considerable amount of land available. To be more specific, I would need a map. If the honourable senator and I can arrange a meeting in my office, I will be happy to show the honourable senator what excess lands are available.

**Senator Forrestall:** I am specifically concerned about lands on the water side of that Eastern Passage highway that dissects the base. As the minister knows, it is by far the best berthing spot for nuclear-powered vessels on the East Coast of Canada. I am curious to know whether that land is considered surplus and would be available for disposal?

**Senator Graham:** As the honourable senator would know, we have obligations under NATO with respect to the priority use of those particular lands and the waterfront for nuclear submarines. Those obligations will continue to be a priority.

**Senator Forrestall:** I gather that they are not up for sale.

**Senator Graham:** Not to my knowledge, honourable senators. I know that there will be ongoing discussions with the Department of National Defence, and the province.

With regard to our NATO commitments, that waterfront is primarily used for nuclear submarines when they are in that part of the world. Under no circumstances, unless there were a dramatic change with respect to our obligations and our participation under NATO, could that priority be changed. The Government of Canada is not entertaining the possibility of disposing of or selling that particular piece of land.

## FORESTRY

CRISIS IN INDUSTRY IN BRITISH COLUMBIA—  
POSSIBLE PROGRESS ON LIMITING CANADA-UNITED STATES  
SOFTWOOD LUMBER AGREEMENT—GOVERNMENT POSITION

**Hon. Gerry St. Germain:** Honourable senators, I have a question regarding the state of the crisis in the forest industry in British Columbia. I have already tried to outline how the forestry sector, and those families reliant on the sector, have suffered in northern British Columbia as a result of the Canada-U.S. Softwood Lumber Agreement. Now even the Premier of British Columbia and the Minister of Forestry agree that the forestry sector cannot continue to operate under this agreement with any kind of success. To be fair, which I always try to be, they were the proponents of this agreement, and it is most unfortunate that the victims are not the government, not the politicians, but the people.

The Leader of the Government in the Senate has repeatedly said in this place that the Canada-U.S. Softwood Lumber Agreement was put in place to rid us of the historic protectionist actions taken by the Americans against us. Will the Leader of the Government in the Senate inform us where we are in attempting to rid ourselves of this horrific agreement that is virtually killing the province which is represented by six senators in this place and by 34 members in Parliament? Can the Leader of the Government update us on any progress that is being made to rid us of this Canada-U.S. Softwood Lumber Agreement?

**Hon. B. Alasdair Graham (Leader of the Government):** As my honourable friend would know, on December 16, the United States Court of International Trade upheld the U.S. reclassification of lumber with predrilled holes for wiring into a product category covered by the 1996 Canada-U.S. Softwood Lumber Agreement. Canada is obviously disappointed with that decision. I understand there was a court challenge. I also understand that the private Canadian company which initiated the court challenge will soon decide whether or not to appeal the decision.

I have had discussions with the Minister of International Trade and, indeed, I have expressed the concerns voiced on a number of occasions by the Honourable Senator St. Germain. I should say that Canada is challenging the U.S. classification of drilled studs at the World Customs Organization.

**Senator St. Germain:** Honourable senators, the Leader of the Government in the Senate must know that there is also a ruling expected this month on another suit launched against the U.S. by Canada under this same agreement, regarding a \$600-million timber harvesting fee reduction. There is not only the question of the pre-drilled studs, but there is also the question of this reduction in harvesting fees. This is another irritating situation.

What really concerns me is that there is a bill dealing with split-run magazines in the other place, and I believe it is heading this way; it is in the process. The government is standing up and defiantly challenging the Americans on this issue, and I think this may complicate the scenario.

As the Leader of the Government in the Senate knows, I protested this move from the very beginning. Possibly, the fact that I was the Minister of Forestry in the previous administration helped me recognize that this agreement would be a killer. I have also had personal experience with quotas in the agricultural industry, and I know the problems that have arisen out of that.

Therefore, I ask the Leader of the Government in the Senate again: What progress is being made in the negotiations towards totally ridding ourselves of the agreement, rather than just appealing the ruling in regard to these pre-drilled studs?

**Senator Graham:** I am not aware that a definitive position has been taken by the Government of Canada to rid ourselves of the agreement. I do know that the Minister of Foreign Affairs, the Minister of International Trade and, indeed, on almost a daily basis, the Canadian Embassy in Washington are protesting these matters. The situation is also being monitored on a regular basis. Canada continues to pursue this very troublesome issue at the World Customs Organization, although the process, I have to acknowledge, is taking some time.

•(1530)

### PRIVY COUNCIL OFFICE

PUBLIC DECLARATIONS MADE BY PRIME MINISTER ON ADVICE  
OF ETHICS COUNSELLOR REGARDING OWNERSHIP OF SHARES  
IN GOLF CLUB—GOVERNMENT POSITION

**Hon. Donald H. Oliver:** Honourable senators, my question is for the Leader of the Government in the Senate and it deals with a golf course. My question relates to statements made by the federal Ethics Counsellor to the effect that the Prime Minister will be required to make two public declarations about the status of his shares in a money losing golf course that he owns in Quebec.

Recent reports in the *National Post* suggest that the Prime Minister has been less than above-board when it comes to

remaining true to the spirit of the conflict of interest and ethics agenda his government has attempted to advance.

As the reports in the newspaper reveal, in 1993 Mr. Chrétien sold his 25 per cent stake in the Grand-Mère golf course to a company led by a Toronto real estate developer, Jonas Prince. The deal, signed a week after the 1993 election, provided for Mr. Prince's company to make three payments to Mr. Chrétien's trust while he was in office, but the deal fell apart in early 1996.

This left the ownership of Mr. Chrétien's golf club shares, worth more than \$200,000, in limbo for the past three years, as the Prime Minister's lawyer tried to arrange the sale of the shares to a new buyer or to have them returned to the Prime Minister's trust.

Could the Leader of the Government in the Senate please update us as to the status of these public declarations that the Ethics Counsellor has called upon the Prime Minister to make, and will he also advise when the Ethics Counsellor will be ordered to report to Parliament?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, the Prime Minister has followed all of the necessary guidelines in this particular case. I am not aware that the Ethics Counsellor has asked the Prime Minister to respond in the manner in which my honourable friend has suggested. I know that the Prime Minister has consulted the Ethics Counsellor, and I understand that the Ethics Counsellor is perfectly satisfied with the manner in which the Prime Minister has conducted himself.

**Senator Oliver:** Could the Honourable Leader of the Government in the Senate indicate to whom Canada's Ethics Counsellor should report?

**Senator Graham:** It is obvious that my honourable friend knows the answer to his question — it is to the Prime Minister.

### ANSWERS TO ORDER PAPER QUESTIONS TABLED

NATIONAL DEFENCE—PURCHASE OF NEW MILITARY VEHICLE

**Hon. Sharon Carstairs (Deputy Leader of the Government)** tabled the answer to Question No. 133 on the Order Paper—by Senator Forrestall.

NATIONAL FINANCE—  
VALUE OF PROJECTED FEDERAL BUDGET SURPLUS

**Hon. Sharon Carstairs (Deputy Leader of the Government)** tabled the answer to Question No. 138 on the Order Paper—by Senator Forrestall.

NATIONAL DEFENCE—REPLACEMENT VEHICLE  
FOR CANADIAN FORCES ILTIS VEHICLE FLEET

**Hon. Sharon Carstairs (Deputy Leader of the Government)** tabled the answer to Question No. 141 on the Order Paper—by Senator Forrestall.



## ORDERS OF THE DAY

### SPECIAL IMPORT MEASURES ACT CANADIAN INTERNATIONAL TRADE TRIBUNAL ACT

BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

**Hon. Jeremiah S. Grafstein** moved the second reading of Bill C-35, to amend the Special Import Measures Act and the Canadian International Trade Tribunal Act.

He said: Honourable senators, have you ever asked yourself why certain nations, for example, those of the OECD, Canada included, have been so economically successful in the modern post-war era? Why have other nations fallen behind and why have others surged ahead? Could it be that at the heart of these successful economies has been an acceptance of the practice of "due process" in trade, "rule of law" principles, and rules-based trade to govern trade and settle trade disputes? Certainly it was Canada's determination to establish independent trade dispute resolution mechanisms that so informed Canada's willingness to join the FTA and then the NAFTA. This pillar in our trade architecture is taken for granted and not fully understood. In trade, it is mechanisms of trade settlement disputes, the transparent elements of dispute resolution, that form the rationale for this bill, Bill C-35. Producers, importers and investors alike want fair, predictable rules and independent mechanisms to settle trade disputes. Canada depends on trade and, in turn, on fair trade rules.

Honourable senators, this bill proposes amendments to improve the operation of Canada's anti-dumping and countervailing duty law, known as the Special Import Measures Act, or SIMA. Amendments contained in this bill are intended to implement recommendations contained in a 1996 report from the other place on Canada's trade remedy system. The bill also includes various amendments of a technical and housekeeping nature.

Overall, these amendments will fine-tune trade law by improving the efficiency of the investigative process, increasing transparency and procedural fairness, and enhancing the system's ability to consider representations from various segments of Canadians business.

The Special Import Measures Act, SIMA, provides the legislative framework under which the government may impose anti-dumping and countervailing duties on imports of dumped or subsidized goods that are found to be causing injury to domestic producers. As in the criminal justice system and the civil justice system, there can be no effective application of the rule of law to our trading system without remedies for injuries. Where there is a law, there must be a remedy.

We must, as advocates of world trade rules, adhere to rules. Canadian investigations and measures respecting anti-dumping and countervailing duties must conform to international rules set out under the World Trade Organization or WTO.

Given the potential for anti-dumping and countervailing duties to impair the access of goods to individual country markets, the

WTO sets out rather detailed obligations that must be adhered to before such duties can be imposed.

With respect to the Canadian system, the Minister of Finance is responsible for the legislation, and Revenue Canada and the Canadian International Trade Tribunal share responsibility for investigations under the law. Revenue Canada enforces anti-dumping and countervail duty orders at the border.

Before addressing the key elements of this bill, I should like to provide some background on SIMA and the other place's very comprehensive review of this law.

The enactment of the Special Import Measures Act in 1984 represented a consolidation and modernization of Canada's trade remedy laws. It also implemented rights and obligations found in the Tokyo Round agreements on anti-dumping and subsidies and countervail. Canada has been a strong advocate to protect domestic players from unfair dumping subsidies or countervail.

Since that time, SIMA has undergone some refinements as a result of the FTA, NAFTA, and further multilateral negotiations. However, until the recent review, this law had never been subject to a comprehensive domestic review to assess its overall effectiveness and fairness. Given this, in 1996 the Minister of Finance requested the Standing Committees on Finance and on Foreign Affairs and International Trade of the other place to jointly review SIMA to determine whether it continued to meet the needs of the Canadian business community.

Two subcommittees were struck to undertake this work. They held extensive public hearings and conducted deliberations on both policy and procedural elements of SIMA. This work was marked by a high degree of cooperation among members of the subcommittees, and a strong consensus was achieved on the main elements of the report.

In summing up the main objective of the review, the subcommittees noted:

The main question we address is whether the current law adequately serves those firms that are being injured by dumped or subsidized imports, as well as those domestic interests that may be adversely affected by anti-dumping and countervail duty actions.

In short, honourable senators, they sought to establish whether the balance struck in 1984 between those interests continued to be appropriate in the economic situation of the 1990s. On this, the subcommittees came to the conclusion that the law continues to protect Canadian producers from injury, while limiting collateral damage to consumers, other Canadian manufacturers and importers.

With this general assessment, the subcommittees then went on to classify areas where SIMA could be fine-tuned in order to improve efficiency and make it more responsive to Canada's economic needs.

The government responded positively to the subcommittees' report, and it is the implementation of their recommendations that you have before you in Bill C-35.



As this bill represents the first time that the government has had the opportunity to undertake a comprehensive review, it also contains, as I noted earlier, several amendments of a technical and housekeeping nature aimed at clarifying existing provisions in the law.

The key changes in this bill include: rationalizing the investigative functions of Revenue Canada and the Canadian International Trade Tribunal; enhancing procedural fairness and transparency by harmonizing the way in which Revenue Canada and the tribunal treat the disclosure of confidential information; establishing new penalty provisions to deter any unauthorized disclosure or misuse of confidential information provided in the context of SIMA investigations; allowing expert witnesses to play a much more effective role in tribunal inquiries; improving the provisions that allow for the Deputy Minister of National Revenue to accept an undertaking from exporters to raise prices as an alternative to the imposition of anti-dumping duties; requiring the tribunal to cumulate the injurious effects of dumping or subsidizing from more than one country; and clarifying the conditions under which the tribunal can consider issues of a broader public interest and the very nature of the recommendations the tribunal may make.

•(1540)

The housekeeping changes clarify existing provisions of SIMA and the Canadian International Trade Tribunal Act to better reflect current practices.

Honourable senators, the discussions that took place in the 1996 parliamentary review of SIMA reflected the changes that have taken place in the structure of the Canadian economy since the law was first established in 1984. The changes reflected in Bill C-35 will ensure that the Special Import Measures Act remains a strong trade instrument that truly protects Canadian producers injured by dumped or subsidized imports, while minimizing costs to other producers and consumers when the public interest calls for such action.

These amendments will also strengthen and rationalize Canada's trade remedy system so that it responds to new economic circumstances and evolving trade rules. Bill C-35 is not controversial but essential as we continue to modernize and make more effective and efficient trade rules.

Bill C-35 has broad support from Canadian industry. Rules-based trade is not only fair and efficient, it demonstrates to developing democracies and transitional economies that fair trade in the short and long run is the best trade.

The origin and the development of the common law, from Coke to Mansfield, to a large measure evolved around commercial rules of commerce. The rule of law that has been the icon in democratic development emerged out of commercial rules of law. This bill is another small but important paving block on the road to a fair world trading system. I therefore urge honourable senators to pass this measure with the Senate's usual careful and efficient dispatch.

On motion of Senator Kinsella, for Senator Eyton, debate adjourned.

## CANADA CUSTOMS AND REVENUE AGENCY BILL

### SECOND READING—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Carstairs, seconded by the Honourable Senator Pépin, for the second reading of Bill C-43, to establish the Canada Customs and Revenue Agency and to amend and repeal other Acts as a consequence.

**Hon. Lowell Murray:** Honourable senators, I oppose this bill in principle for many of the same reasons that led me last November to vote and speak against Bill C-29, the legislation that created the Parks Canada Agency.

Under this bill, Revenue Canada, now a department of government like any other, will be hived off as some kind of special operating agency. The relationship between this proposed new agency, with its chairman, its boards of directors, its chief executive officer and deputy CEO on the one hand, and the minister, the government and Parliament on the other, cannot but be different from what it is now.

The 44,000 employees of Revenue Canada are now to join the 20,000 employees of Parks Canada in some kind of never-never land, half in and half out of the government.

Our friend the Deputy Leader of the Government, who sponsored this bill in the Senate, pointed proudly to the business and professional associations that support the bill. Indeed, I took the trouble to read their testimony at the House of Commons committee. They were, and are, supportive. Most of them had been consulted in one or more of the elaborate consultation processes undertaken by the government in respect of this bill. Many of them had been involved in the design of the new agency. Most of them are optimistic that the provinces will sign on to the new agency and allow the new agency to collect their taxes.

Was it Oscar Wilde who spoke about the triumph of hope over experience? There is not much evidence that the provinces will sign on. The only thing the government seems to have to show for many months of stroking and palaver is that Nova Scotia is about to complete a deal with regard to the Workmen's Compensation Fund of that province. Nevertheless, the witnesses and spokesmen for the government remain supremely confident that the provinces will sign on. Their attitude recalls the line from the movie *Field of Dreams*: "If you build it, they will come."

The substantive arguments that are put forward in favour of this bill are two in number: First, the new agency will reduce overlap and duplication by bringing the provinces on board. Second, improvements in productivity and efficiency will be realized.

Even if the provinces are willing to come on board and have their taxes collected by Ottawa, there is no reason why Revenue Canada cannot do this as it is now constituted. Likewise, for improvements in productivity and efficiency, why can these not be realized within the present organization of Revenue Canada? Is it necessary to uproot Revenue Canada from the government and public service community in order to achieve these objectives? The answer is clearly "no," on the basis of the lack of evidence that has been presented by the government to date.

Let us get down to facts. They want to create this new agency so that Revenue Canada can get out from under the inconvenient restraints of the Treasury Board, the Financial Administration Act, the Public Service Commission, the Public Service Staff Relations Board, the Federal Real Property Act, the Public Works and Government Services Act, and goodness knows how many other institutional constraints that now apply to government departments. Revenue Canada will get out from under these constraints, as Parks Canada got out from under theirs in November, and as NAV CANADA, the air navigation agency, got out from under theirs prior to that.

What is it that we are doing here? The point I make was reinforced before the House of Commons committee by a witness whose name will be recognized by many colleagues, Mr. Art Silverman. Mr. Silverman, also a supporter of the bill, appeared on behalf of the Certified General Accountants Association of Canada. His name will be recognized because he is a former administrator of the House of Commons and a former deputy minister in the federal government.

•(1550)

I would quote a few sentences from what Mr. Silverman said in answer to a question put by a committee member. He said:

The changes being brought about by Revenue Canada are basically changes that are saying: we can't work within this environment; the environment of the regular public service doesn't work for us, and therefore we have to seek another solution.

Mr. Silverman went on to state:

And the question is why? What about all of those who don't have the opportunity to seek another solution? The employees who are going to be affected by the change are extremely nervous about it....

So the question remains why? Why is this the solution? But apparently it is the only solution available at this time.

Mr. Silverman's answer is the same response that was given by ministers and public service spokesmen regarding this bill; and it is a cop-out. We must not accept that answer. If the constraints of Treasury Board, of the Financial Administration Act, of the Public Service Commission, of the Public Service Staff Relations Board, of the Federal Real Property Act and the other statutes that I mentioned, are unreasonable in the context of our

parliamentary democracy, then let us address those constraints. Tell me, what will be the next department of government that seeks to set up a separate shop in order to get away from the constraints that Parliament, in its wisdom or otherwise, has imposed on public administration in this country? This is a cop-out, and we should not allow it.

There seems to be a lack of will or a lack of ability in the system to change those administrative requirements that may have become outmoded, or perhaps it is that the constraints to which I referred are simply inconvenient and that the criticism that is made of them cannot be justified in the context of our parliamentary democracy. In any case, let us have it out on the table. It should not be possible to have to resort to a hybrid operation at some distance from the government and Parliament. They should not be allowed to get away with it.

Honourable senators, I believe that ministerial authority, responsibility and accountability for Revenue Canada will be weakened. As with Parks Canada, the minister will be able to acknowledge and accept public responsibility for the agency when it is convenient for him to do so, and to keep his distance when it is not.

As an example of this, need I mention the authority of the agency to impose user fees? Now, they will tell you, and correctly so, that they will have to follow the same process to impose user fees as they do now. However, honourable senators, this arm's-length arrangement in terms of parliamentary appropriations to the agency will be such that, when the Minister of Finance or his colleagues want to shave some expenses — as they always do — the temptation will be very great to say to Revenue Canada: Go impose some more user fees on your clients.

We are all "clients" of Revenue Canada now — or perhaps even "stakeholders," the other current buzz word.

The temptation will be great to give them permission to charge user fees. The additional costs thus incurred and the additional taxes thus imposed under the guise of user fees will not show in the Finance Minister's books and, of course, need never be approved by Parliament.

As for Parliament, be assured that the liturgy is preserved. The corporate plan will be tabled. Annual reports will be tabled. There will be a mission statement — no doubt about it; a mission statement will be tabled. I will come to that in a moment. Yes, a parliamentary review will be conducted within five years of the creation of the agency, but the distance between the responsible minister and the agency will be wider, and Parliament's ability to hold them accountable all the weaker.

There was a time, honourable senators, when a scheme of this kind would not have survived examination by politically sensitive ministers and certainly not by a caucus conscious of the prerogatives of Parliament in our public administration. Now, however, Parliament, especially the House of Commons, is becoming a shell, a form without substance.



Before I sit down, I have a suggestion to make if we must accept the inevitability of the passage of this bill. I found on reading through it that the bill that passed second reading in the House of Commons and went to the committee had in it a stipulation that the headquarters of the agency must be located in the National Capital Region. The House of Commons committee in its wisdom amended that provision to read that the headquarters of the agency is to be located somewhere in Canada as determined by the Governor in Council.

Now, I say to my friend, the Leader of the Government in the Senate, here is your chance to do something for Cape Breton.

**Hon. Senators:** Hear, hear!

**Senator Murray:** Cape Breton has always needed permanent, year-round jobs, and there is nothing more permanent or year-round than the collection of taxes. I seriously suggest that moving the headquarters of an agency such as this would be a very constructive step. You would be putting jobs directly into Cape Breton to replace the jobs that you are taking out by your decision to shut down Devco.

There is ample precedent for this. Some years ago when we closed the air force base at Summerside, which was the mainstay of the Summerside economy, my present seatmate, Senator Phillips, rose to make just such a suggestion and, as a result, the Mulroney government located the GST centre in Summerside.

**Hon. Senators:** Hear, hear!

**Senator Murray:** I have always felt that, because of his initiative, the GST centre ought to be named the Orville Phillips GST Centre — Centre TPS Orville Phillips.

I am not sure that my friend would want to have his name associated so closely with the GST, but it was an initiative in which he played a leading part, and which has placed 700 good jobs in Summerside.

In this day of high-tech communications and all the rest of it, the location of such an agency headquarters is quite immaterial. I say to my friends opposite, if this bill must go through as it is and you will set up this agency, take advantage of the amendment that was made to this bill by the House of Commons committee and locate the headquarters of your agency in Cape Breton.

•(1600)

**Hon. David Tkachuk:** I have a question for the honourable senator. In the west, we used to think that all of the money flowed east. However, we did not think it would be flowing that far east, senator.

With regard to user fees, what services does Revenue Canada provide for which they would be charging a fee?

**Senator Murray:** Honourable senators, Revenue Canada is a collector of taxes, as you know, and also of customs duties, and so forth. You might have the great pleasure of paying a user fee to them when you cross a border, or when you file a return for any purpose. Revenue Canada also administers benefits for a

number of government departments in respect of which they might be able to collect a user fee of some kind. I do not know exactly how this would work, but I think you need no assurance, as a person of experience, that the fertile imaginations of the advisers of the government will not be found wanting in terms of finding ways and means to impose user fees for their "services."

On motion of Senator Cools, debate adjourned.

## INSURANCE COMPANIES ACT

### BILL TO AMEND—SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Kroft, seconded by the Honourable Senator Moore, for the second reading of Bill C-59, to amend the Insurance Companies Act.

**Hon. John Lynch-Staunton (Leader of the Opposition):** Honourable senators, before commenting on the bill itself, I wish to speak of certain events relating to it which took place on December 10, the day the Senate adjourned for the Christmas holidays. I do so for a number of reasons, not the least of which is to refute categorically a statement made by the chairman of the Senate Banking Committee to the effect that I was responsible for Bill C-59 not being passed in this place on that very day.

Until nine o'clock on the morning of December 10, no one on our side knew much about Bill C-59 except that it had been given first reading in the House of Commons on November 30. Without warning, my office, as well as that of a number of my colleagues, started receiving telephone calls from members of the government and their staff, and from executives of life insurance companies and their representatives, all urging swift passage of Bill C-59 before adjournment that day.

The fact that we had not even seen the bill, that no briefing notes had been forwarded, either by the government or the life insurance companies, was dismissed as irrelevant. The fact that the bill did not even appear on the end-of-the-year wish list of the leadership of the government in the Senate was not considered pertinent.

As a matter of fact, when the Speaker asked, following first reading, when the bill was to be read a second time, the Deputy Leader of the Government replied "two days hence." No senator, no member of the Banking Committee, including its chairman, asked for leave to proceed with second reading forthwith. The sense of urgency expressed outside the chamber by the government was totally ignored by its representatives within.

Overriding any basic consideration for our responsibilities as a Senate, we on this side were told repeatedly that all parties in the House of Commons had agreed to pass Bill C-59 in one sitting, and that the Senate should simply follow suit. When it was pointed out that had the Senate responded that way in the past, much-flawed and even contested legislation would have resulted, the reaction was, to say the least, mild irritation at being given a basic lesson on the role of the Senate.



In the afternoon, my office received a call from a *Globe and Mail* reporter asking for a reaction to his having been told by Senator Kirby that, despite the fact that all Conservative members on the Banking Committee favoured the bill, I was responsible for holding it up. Three of our committee members were in the chamber at the time, and each denied any knowledge of the bill, or even having seen a copy of it. They agreed that whenever the subject of demutualization was brought up in committee, Conservative members gave unanimous support to the concept, a support found as recently as in the committee's analysis of the MacKay task force report. However, that cannot be interpreted as giving approval to unseen proposed legislation intended to implement that concept.

I then asked Senator Tkachuk, as deputy chairman of the Banking Committee, to telephone the *Globe and Mail* reporter and set the record straight. For the record, I will read the pertinent part of the article which resulted and was printed the following day. The headline of the article by John Partridge is "Life insurer bill stalled in Senate." It reads:

The bill was introduced into the House of Commons only Nov. 30, but, with the support of all four opposition parties there, was dealt with rapidly and sent up to the Senate yesterday morning.

Liberal Senator Michael Kirby, chairman of the Senate banking committee, said all the Tory members of the committee had agreed to give unanimous consent to speed the legislation through. However, Senate opposition leader, John Lynch-Staunton, a Tory, had balked, Mr. Kirby said. "It's extremely unfortunate."

Mr. Lynch-Staunton could not be reached.

But Tory Senator David Tkachuk, the committee's vice-chairman, denied there had been "concurrence" among the committee members about "ramming...

— the bill —

...through in a day." He blamed the Liberals, saying they had "mismanaged" the demutualization bill and that if they had introduced it sooner, the Senate could have dealt with it in time.

This being said, in the end one cannot ignore the will of the elected house, as we have stated repeatedly on this side, particularly when we were in the majority following the 1993 election. Of the hundreds of government bills which have been on our Order Paper since then, we have deliberately and successfully held up only two, which, in the opinion of many, and not just in this chamber, were clearly unconstitutional. Many others have been subjected to delay, suggestions for improvements, even amendments, but none was, in the long run, turned down, again out of respect for the wishes of the elected representatives.

In his excellent presentation in support of Bill C-59, Senator Kroft noted that the bill had been passed expeditiously in the

House of Commons with all-party support. Usually debates and committee hearings in the other place are helpful in gaining a better appreciation of proposed legislation, so it was with anticipation, in view of the unusual unanimity surrounding Bill C-59 there, that I consulted the Commons deliberations on it.

Senator Kroft was half right. Expeditiousness implies speed and efficiency. In its approach to Bill C-59, the House of Commons abandoned efficiency in favour of speed. The entire proceedings are found on page 11129 of the December 10, 1998 Commons debates. A page in that publication is made up of two columns, each of which is 21 and one-half centimetres, or eight and one-half inches in length, and nine centimetres or three and one-half inches in width. The entire space taken up by the deliberations on Bill C-59, including the heading, is eight and one-quarter centimetres, or three and one-quarter inches in length, or less than half a column. It can be summarized as follows: The Leader of the Government advises the Speaker that there is unanimous consent to adopt without debate a motion "that Bill C-59 ...be now concurred in at report stage, and be now read a second time and a third time and do pass."

The Speaker asked for unanimous consent. "Agreed," is the reply. He then asked whether the motion is adopted. "Agreed," repeat some honourable members — and that was it. There was no ministerial statement, no official opposition reply, no comments by any other opposition party, no committee hearings, no report, no Committee of the Whole, no witnesses. In fact, there was no debate except for one word, "agreed." repeated twice by "some honourable members." Honourable senators, how many honourable members the word "some" implies is, for those who give so much importance to Senate attendance, unfortunately not available.

I can think of no other government legislation, including emergency bills, at least since I have been here, which has been dealt with with such extraordinary haste.

•(1610)

One would naturally conclude that the reason Bill C-59 was passed this way is that it is simply routine and easy to understand, or that it was urgent that it be passed before some important deadline. However, such is not the case. Bill C-59 is a series of amendments to the Insurance Companies Act, amendments which, when read by themselves, are not that clear on their purpose and impact, as one needs the act it amends to get a clear understanding of what they are all about. No deadline is found anywhere in the bill. While the other place did not bother even looking at it, let alone seeking explanations so that we here could have the benefit of them to guide us in our deliberations, I trust that we will not be so delinquent in our duties.

As Senator Kroft pointed out yesterday, this bill affects about 2 million Canadians who, by accepting demutualization, will be offered some \$10 billion in shares and cash. In addition, millions of policyholders outside Canada will also be entitled to vote to change the corporate structure of the life insurance company with which they have a policy and then benefit financially as a result of a change.

To those who maintain that the Senate should follow the example of the other place and dispose of Bill C-59 with the same indecent haste, let me just say this: While we have many differences of opinion here, we do agree on some fundamentals, one of which is that no proposed legislation leaves here without thorough analysis. Were the Senate to take any other course, there would have been some pretty questionable laws passed by Parliament, especially since 1993 when the Official Opposition in the Commons instead of acting as a government in waiting, which is its historical role in a parliamentary system, limited itself during its term to pursuing its policy of dismantling the federation, while the current one emphasizes regional discontent, both real and imagined.

Once again, we are being asked to do double duty because of negligence in the other place. That is to say, we are being asked to approve a bill without the benefit of the input of the Commons, as well as introduce sober second thought which is our fundamental role. Many in the Commons will be upset by our acting as parliamentarians in their stead. No doubt, the usual invectives intended to camouflage their dereliction will be hurled our way by the usual shrill voices.

As for Bill C-59, of course we support demutualization and trust that the proposed amendments give full protection to policyholders and full value should they approve to convert their carrier into a stock company. This can only be confirmed through committee hearings which must involve, among others, the Minister of Finance, the Superintendent of Financial Institutions, and senior executives of the four major life insurance companies affected by the proposed amendments. Representatives of policyholders should also be invited to appear.

This is another bill, by the way, where much of its implementation is governed by regulations, a growing practice that preoccupies and disturbs more than one colleague here. Perhaps there is justification in this case, if it can be shown that the process of demutualization, once accepted, is subject to non-controversial technical steps which are strictly of an administrative nature.

Let me quote one clause of the bill which certainly requires some explanation:

(4) Subsection 237(3) of the Act is replaced by the following:

(3) A regulation made under subsection (2) may provide that the Superintendent may, on such terms and conditions as the Superintendent considers appropriate, exempt a company from prescribed requirements of that regulation.

This may well refer to routine, even petty, matters, but how are we to know unless a question is asked of those who are favouring the bill? The committee might want to consider an amendment requiring that regulations be tabled in both Houses before they become effective. Certainly, the Superintendent of Financial Institutions, who is given great latitude under this bill, should be

required to report annually on the actions he has taken pursuant to Bill C-59.

There is also a provision that senior management is not entitled to shares or stock options until one year after the shares have been listed on a Canadian stock exchange. I wonder why, for as far as I can recall, this restriction was not in any legislation allowing privatization of Crown corporations, such as CN. Why introduce it in this case? In any event, does this mean that directors who are policyholders will not be able to get any financial advantages from demutualization at the same time as other policyholders?

From the legislation we know that policyholders will be entitled to vote on the proposal, but will each share that is distributed have voting rights? Will all policyholders be treated similarly and fairly? The fairness aspect is left to the superintendent to determine. What criteria will be applied to determine the fairness of the demutualization proposal?

It is also important to know how demutualization in Canada will be received by the regulators in the United States, especially in the State of Michigan, which is the state that the insurance companies most likely to demutualize have used as their state of entry into the United States. An invitation to the appropriate Michigan authorities to appear before the Banking Committee would certainly be in order.

Finally, there are inevitable tax consequences, particularly for those receiving income-tested benefits who decide to sell their shares. Proceeds will be considered income, and unless an exemption is legislated, may result in a reduction of benefits.

Honourable senators, our task would have been made much easier had the other place engaged in a serious debate on Bill C-59 instead of rushing it through with the same word repeated twice in less than two minutes, if that. With all the criticism directed at senators, how ironic that it is the appointed body which once again is left to assess in depth important legislation, as the elected body no doubt in this case felt it more important to meet holiday travel plans than to spend time protecting the interests of 2 million Canadians. This the Senate will do, both here and in committee. Any squealing from the other place will only confirm that at least one house of Parliament respects the responsibilities entrusted to it under the Constitution.

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I wish to say a few words on this matter. I believe that Bill C-59 will proceed today to committee. I hope, as does Senator Lynch-Staunton, that the bill will be given thorough investigation, study and debate in the Banking Committee, the kind of study and debate that both Houses of Parliament should provide to any piece of legislation.

I also want to make it clear on the record that any negotiations with respect to Bill C-59 which took place between the leadership on both sides were thoroughly honourable. There was no intention on the part of the other side to delay this matter in a way which was other than the most responsible form of delay.



In my view, the remarks that have been made in the media are extremely unfortunate. I hope they will not in any way endanger the relationship that I have with the deputy leader of the other side because we have had an honourable relationship. I hope it will continue to be so.

**Hon. Donald H. Oliver:** Honourable senators, I rise to speak to Bill C-59. This is a fairly straightforward piece of legislation. It seeks to amend the Insurance Companies Act in order to allow mutual insurance companies to become stockholding entities. The bill has only 10 clauses. They include amendments governing the application by mutuals to the Minister of Finance for permission to convert, requirements for a special meeting of policyholders to vote on any proposal to demutualize, and directions concerning the role and responsibilities of the Office of the Superintendent of Financial Institutions in ensuring the honesty and transparency of the conversion. The bill also restricts the number of shares that can be held by any one individual in a converted company. It prohibits officers, directors and employees from benefiting from demutualization.

At first blush, it appears that this bill is supported by pretty well every one. Even the NDP professed to be on side. Not surprisingly, the big insurance companies are in favour. The president of The Manufacturers Life Insurance Company goes so far as to say that he cannot find anyone who opposes demutualization. As a result of this apparent unanimity, we here in the Senate are expected to rubber-stamp this bill and let the insurance companies get on with their business.

•(1620)

Well, I do not want to rain on anyone's parade, but I do not much like the idea of rubber-stamping, and I like it even less when interest groups try to pressure us into doing it. They did it before Christmas with this bill, and they are doing it again now. To my mind, if this legislation is as solid and beneficial as its supporters would have everyone believe, then they should have no hesitation in allowing us to examine it properly.

I have a number of questions that I would like to ask, and I think they are questions that should be asked before we are called to a final vote. The insurance companies tell us that this bill is critical to their futures. They talk about the increasing pressures of globalization and their need for new and bigger sources of equity capital. To entice us, they predict that 10,000 to 12,000 new jobs will be created in the first 18 months following demutualization, and they claim tax revenues will increase by over \$1 billion.

If this should fail to grab your attention, they point out that that demutualization will be the largest payout of money in Canadian history: \$10 billion dollars being distributed to 2 million people, a windfall of approximately \$5,000 for each person. Then comes the clincher, again from the president of Manulife, who says:

I can't imagine that politicians would want to stand between the public and all the money that they are entitled to.

I certainly do not want to be accused of standing between Canadians and their money. I am sure none of us here would. However, I think we have a duty to carefully study this bill and to make some pertinent inquiries. It is our job to make sure it is the best that it can be, and that it does not unduly harm the interests of those who would be most affected by it. By "those" I mean the policyholders of the four companies that want to demutualize. After all, these people are, at least until demutualization takes place, the actual owners of these companies.

Over the weekend, I read the testimony of the Secretary of State for International Financial Institutions before the finance committee of the other place in December last. I must say I was somewhat surprised at his performance. What surprised me was the superficial nature of many of his comments. It was as if he was merely going through the motions. For instance, he was asked why the insurance companies are so hell-bent to get this bill through Parliament. In reply, he said that it was because they were, "anxious to get into the 21st century." They wanted to compete globally and do mergers. A little later, he said since it is such a good news story, why wait? Why indeed?

The secretary also claimed that the policyholders were in favour of the changeover, so the companies were under pressure to get moving on the issue. When his bluff was called and he was asked for some hard numbers, he had none to offer. All he could do was point to a few company-sponsored public information events. Finally he was asked what policyholders would get out of becoming stockholders, apart from a few shares. His answer was something like, well, maybe they will be more efficient so people can get cheaper insurance.

I do not wish to be unduly harsh on the secretary. Perhaps he was having a bad day or was just tired of talking about the bill. Nonetheless, his remarks did little to reassure me that this legislation has been thoroughly and properly debated.

Let me say right off that I am not opposed to demutualization. I repeat: I am not opposed to demutualization. Some of our mutual life insurance companies were stock companies before, so I certainly see no reason why they cannot be again. However, it has been suggested that the changeover will be problem-free. I cannot agree. I just cannot believe that there is no down side to this, no disadvantage, and that we should just pass the bill and be done with it.

Changeovers like these are expensive. The companies will need advice from investment bankers, lawyers, accountants, and actuaries. This will not come cheaply. These changeovers will also take time, time during which management's attention will not be focused on the interests of the policyholders.

There is also the possibility of costly litigation. Unhappy policyholders could sue over any number of issues, from who is eligible for money to how the money is going to be divided up or why some policies are worth more than others. There are the obvious risks that will be taken as insurance managers shift to becoming entrepreneurs. They will make mistakes, and those mistakes will cost money.



There is also the conflict of interest that will develop between the demands of shareholders who want a good return on their investment and those of the policyholders who want value and security. To my mind, this is potentially the most divisive issue to come out of demutualization, and if not that, then it will be the whole question of taxation.

For reasons known only to itself, the government has decided not to offer any special tax concessions to people receiving demutualization benefits from the insurance companies. For example, when someone who takes these benefits in the form of shares sells these shares, he or she will have to pay capital gains and add 75 per cent of the price they receive to their taxable income. In concrete terms, this means that a person who receives 5,000 worth of shares and who disposes of them when they have doubled in value will have to declare \$7,500 of additional income for that year. As a result, two things could happen. First, they could be pushed into a higher tax bracket, and second, the additional revenue could activate the clawback provisions included in the GIS and OAS child tax credits and any other income-tested programs from which persons might benefit. Some of these, as you all know, reach as high as 50 per cent.

Those who decide to take cash instead of shares, or who opt for such things as policy enhancements, will face a similar situation. The government will treat their benefits as ordinary corporate dividends from a Canadian corporation and tax them accordingly. As in the case of share disposal, this could push them into a higher tax bracket, and it could activate all of the clawback mechanisms I just mentioned with the exception of the GIS.

In both cases, these people's tax and fiscal planning schemes will be affected. I would hazard that many will have to spend even more money to hire an accountant or to pay some tax preparation firm to ensure their income taxes are done properly.

If this were not enough, the government is also telling us that its officials do not know yet what effect demutualization will have on provincial income-tested programs, so those receiving benefits there could potentially be dinged for a second time.

Honourable senators, what we have here is a problem in the making. Many Canadians will use these windfalls unwisely, and they will do so because they have been poorly informed of the consequences. They will underestimate the tax implications, for instance or, worse, be unaware of them.

None of us, not the government, the industry, and certainly not myself, know the full tax implications of this bill. We do not know, for example, how many Canadians will be facing hefty tax rate increases because of the money or the benefits that they will receive. I have seen figures as high as 200,000 and as low as 100,000. If we take the median of these two figures, we could say that some 150,000 people will end up as unhappy campers because of the passage of this bill, or, to be more correct, because of ignorance of the implications of this bill, and this number could go even higher.

In *The Globe and Mail* last month, there was an article which perhaps some of you saw about public awareness of

demutualization. The big insurance companies, the same ones pushing for this bill, had a research study done on the issue. The results showed that 45 per cent of the policyholders contacted had heard nothing about the demutualization process, almost half. Despite all this, they want us to push ahead anyway and adopt the bill.

The insurance companies tell us that they have been making efforts to inform their customers. They have set up internet web pages with information about the demutualization process, and they have encouraged policyholders to contact them if they have questions. However, the problem, I am told, is that the information being offered contains only good news about the proposal. This is hardly of much use to people who want to make an informed decision.

The companies have also held some public meetings, as I said a few moments ago, and I understand there has even been some advertising, but again you must wonder, given the poll results I just mentioned, just how effective these are. After all, how many seniors, or anyone else for that matter, surf the Internet looking for insurance company Web pages?

It would be interesting to know how many of the 2 million policyholders have actually been reached. I would be curious to see what kind of information they have received and if they have understood it properly. According to the bill before us, companies wishing to demutualize will have to send eligible policyholders enough information to allow them to make what is termed "a reasonable judgment" about the plan. However, we are not told what kinds of information. This, too, is an issue which should be explored further before this bill is voted on the final time. It is simply unacceptable that 2 million Canadians be allowed to walk blindly into this situation, ill-informed of the possible consequences.

Honourable senators, we hear a lot of talk about the importance of policyholders in this whole process. Policyholders will be the final arbiters of the plan to demutualize; policyholders will be the authors of their own destiny.

I must say that if not sophistical, I find such statements disingenuous at best. Demutualization is and always has been a management-driven issue. One need only talk to any insurance executive or consult any newspaper article on the subject to confirm this. Everyone talks about policyholder control in mutual companies, but logic alone tells us that this is little more than a happy fiction and that in reality management exercises the real control.

I mention this because I have so far seen no indication of voting requirements. What is to be the minimum number of policyholders necessary for a vote to be deemed legitimate? Who will decide on the number? Will it be management, or some sort of independent authority?

The Secretary of State for International Financial Institutions said before Christmas that when Prudential demutualized in the U.S., only 10 per cent of the policyholders were required to cast a ballot. That is hardly what I would call representative or legitimate. In Canada, it has been suggested that two-thirds of the

total votes cast would be an acceptable figure. That hardly seems much better. Would two-thirds of a few thousand votes out of 2 million be credible? Perhaps someone on the government side could enlighten us.

I wish to make one last point, and that concerns what — for lack of a better word — I would call the “fate” of the policyholders who will be asked to vote on demutualization. I realize this is somewhat beyond the scope of this bill, but I would ask your indulgence, as it completes the circle of what I have been saying here today.

When the Sun Life Insurance Company came into being, 100 per cent of its business was life insurance. Today, if you add together all of the different types of individual and group insurance the company sells, it only amounts to 13 per cent of the total. The other 87 per cent is made up of investment management, retirement savings, mutual funds and so on. Although I do not know for sure, I assume that the other companies are in a similar position.

Within the mutual insurance world, policyholders hold a privileged position. This privilege is based on the fact that it is their money, in the form of annual premiums, that provides the bulk of the insurance company's capital income. This, however, is about to change. Demutualization will open the door to an untold number of new part owners in the form of stockholders. When this happens, there will be a rapid readjustment of the status quo, and this adjustment will essentially come down to one simple proposition — that is, in the case of a direct conflict between policyholders and shareholders, whose rights will prevail?

Well, honourable senators, the answer to this is obvious to me, and I am sure it is to you. In the end, the numbers will tell the story. Personally, I do not have any problem with this, but I think that we in the Senate have an important role to fulfil. It is not just to rubber-stamp this bill. If we plan to do that, we might as well just go home. Our job, in part at least, is to look out, within the boundaries of the bill, for the interests of the affected policyholders. We must ensure, to the best of our ability, that these people are treated fairly and transparently. Therefore, we should take the time to examine this bill properly, despite what we hear about everyone supposedly being on side. We should not let ourselves be railroaded by heated rhetoric that this must absolutely be a done deal by a certain fixed date. Rome was not built in a day. The insurance companies will not go under if this bill is not passed tomorrow or the next day. It is hoped that the government will agree to this stance, so that we can proceed to give this bill the due consideration it merits.

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, first, I want to express my appreciation to the Deputy Leader of the Government for helping to set the record straight. She is absolutely correct in the outline of the approach that we agreed upon, which is that legislation that comes to this house will be given the careful examination it

deserves. Indeed, that is the principle we have followed since we have occupied our current positions.

Prior to Christmas, honourable senators, we fully understood that this principle would apply. We knew there was pressure from a number of quarters to see this bill fast-tracked.

The address by the Leader of the Opposition in the Senate this afternoon underscored the disgraceful attention given in the other place to this serious piece of legislation, the consequences of which Senator Oliver has just outlined in a number of areas. As he has indicated, there may be many other areas.

Honourable senators, numerous people are involved at the official level in the various ministries in the preparation of a cabinet document, when a legislative proposal is brought forward by a minister to his or her colleagues in cabinet. It is usually presented by means of this cabinet document. The legislative time line should be a discrete section of the cabinet document, and it ought to include the anticipated time that it will take the bill to be examined in both Houses.

I have raised this issue in the past because I have been involved as a deputy minister in this town in the preparation of cabinet documents. It seems to me that is what has to happen. Once the legislative measure has been introduced by a minister on behalf of the government, clearly it is in the hands of the legislators. The exact time cannot be predicted, but government is there with majority support and has a significant influence on the parameters of the time line.

This bill, arriving the way it did and with the scant consideration it was given, demands, more than with other pieces of legislation, that this house give it very careful examination. We ought to be suspicious of any piece of legislation that has been fast-tracked, as it were, in the other place.

Emergency types of legislation, for example, would meet a test of exception. Those special pieces of legislation are often accompanied by negotiations that have gone on through the usual channels between the various parties in the two chambers. In emergency legislation, the pattern to be followed sometimes involves the appearance of the minister in Committee of the Whole. There is an understanding of how honourable senators will be able to give expeditious examination to legislation that needs to be fast-tracked because of the circumstances associated thereto.

•(1640)

This is an ordinary piece of legislation, not an extraordinary one. It is quite appropriate that, when it is introduced in this chamber, we examine it in the normal way.

I would hope that, in our consideration of this bill, we are sending, loudly and clearly, the message that honourable senators intend to do their duty and examine proposed legislation through the process that is tried and true.

Motion agreed to and bill read second time.



## REFERRED TO COMMITTEE

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the third time?

On motion of Senator Carstairs, bill referred to the Standing Senate Committee on Banking, Trade and Commerce.

[Translation]

## ACCESS TO INFORMATION ACT

## BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

**Hon. Shirley Maheu** moved the second reading of Bill C-208, to amend the Access to Information Act.

She said: Honourable senators, I am pleased to introduce Bill C-208, to amend the Access to Information Act.

Honourable senators, in 1983, the Prime Minister of Canada proclaimed the new Access to Information Act. This legislation has served Canadians well, except in certain circumstances in which a number of officials have unwittingly undermined the objective of this law several times.

[English]

Honourable senators, Bill C-208 amends section 67 of the Access to Information Act through the criminalization of altering, destroying, mutilating, shredding, falsifying or concealing records or documents. This bill also criminalizes the ordering of any person to restrict the access to any document. This serves to clarify the law so as to avoid errors.

Performing any of the aforementioned acts carries with it penalties for an indictable offence of up to two years imprisonment and/or a fine not exceeding \$10,000. Should a person be found guilty of a summary offence, they may be liable to a sentence of up to six months imprisonment and/or a fine of up to \$2,000.

[Translation]

In his 1996-97 report, the Information Commissioner made specific recommendations on the need to provide sanctions.

[English]

These recommendations were a direct result of the reports from the Krever commission and the Somalia inquiry, where both proceedings were affected by document tampering.

[Translation]

In his report, Commissioner John Grace wrote as follows:

These lamentable incidents of wilful actions taken by public officials for the purpose of suppressing information have been a wake-up call.

Moreover, those who commit this offence should be subject to greater sanctions than exposure of wrong-doing — Such a penalty is in line with that imposed in section 122 of the Criminal Code for breach of trust by a public officer. The stakes are too high for a slap on the wrist.

[English]

Honourable senators, this bill is in keeping with Mr. Grace's recommendations. His job as Information Commissioner gives him the mandate to make such recommendations for politicians to act upon.

Honourable senators, section 67 of the Access to Information Act states that no person shall obstruct the Information Commissioner or any person acting on his behalf or under the direction of the Information Commissioner in the performance of the duties and functions under the act.

The maximum fine is now set at \$1,000. However, it is rarely applied. This bill broadens the scope of the offence committed, while bringing clarity and stiffer penalties for an infraction.

[Translation]

The House of Commons Standing Committee on Justice and Human Rights invited Ken Rubin to appear before it.

[English]

Mr. Rubin is a respected and well-known journalist. He is a Canadian who has taken it upon himself to serve as an advocate of public interests. His columns have appeared in almost every daily newspaper in the country.

[Translation]

Mr. Rubin explained his experiences and the research he has carried out in recent years.

[English]

He also spoke of the need to enforce the act in order to ensure compliance. After reading through the testimony Mr. Rubin gave before the committee, at first glance I found his findings to be surprising, indeed, almost shocking. As I had a chance to reflect more closely upon his statements to the committee, I had an opportunity to put them into perspective. He had found some instances where access to information was being undermined. I cannot comment on whether it was intentional or not, however, the facts were there.

I do not, under any circumstances, want to mislead Canadians. Most of our public servants are doing an exceptional job in adhering to the act. It is imperative to ensure all Canadians that, though this bill may seem to attack Canada's public servants, it does exactly the opposite.

We wish to set out clearer guidelines for the public service so as to avoid errors in the future. Canadian officials receive thousands of requests for information in any given year.



[Translation]

I would like to reassure Canadians that there are not many offences in this area. In 15 years there have been but a few each year, out of thousands of requests. With this bill, we are trying to move one more step ahead in order to provide access to information for all Canadians and to ensure that the reputation of public servants remains intact.

[English]

I agree that perhaps we, as a government, may need to strengthen section 67 of this act, not as a means of punishment, but more as a means of clarification and protection for all public servants.

Honourable senators, Bill C-208 is extremely important. It serves to ensure openness and transparency throughout the government. I look forward to hearing your comments in committee.

On motion of Senator DeWare, debate adjourned.

## PRIVILEGES, STANDING RULES AND ORDERS

### CONSIDERATION OF SEVENTH REPORT OF COMMITTEE— DEBATE ADJOURNED

The Senate proceeded to consideration of the seventh report of the Standing Committee on Privileges, Standing Rules and Orders (amendment to the Rules of the Senate) presented in the Senate on December 9, 1998.—(*Honourable Senator Maheu*).

**Hon. Shirley Maheu:** Honourable senators, this report has been prepared since December 9. I wanted to present it to the house so that we can get on with our work. This is literally a one-motion report which will clarify the generic issue in our rules.

[Translation]

This report was presented to the Senate on December 9, 1998, just before our adjournment for the holidays. It represents a proposal by the special subcommittee struck by the Standing Senate Committee on Privileges, Standing Rules and Orders, which worked over the summer revising the French version of the rules. The subcommittee comprised Senator Joyal, Senator Grimard and myself.

The Privileges, Standing Rules and Orders Committee had already presented a report in 1985 proposing various changes to the rules to better reflect the masculine and feminine genders, but most of the changes concerned the English version of the rules. The French version is far more complex.

After long discussions, the special subcommittee agreed that we should add the following provision to the first rule of the Senate. The new rule would read as follows:

1.(3) In the French version, the masculine gender is used throughout, without any intent to discriminate but solely

to make the text easier to read. The distinction in French should not be between "masculine" and "feminine" genders but between "marked" and "unmarked" genders; the so-called masculine gender is an unmarked gender and can therefore represent, by itself, elements of both genders. The feminine gender is marked and therefore cannot be used to refer to elements of both genders.

Honourable senators, I ask you to adopt this report.

On motion of Senator Kinsella, debate adjourned.

[English]

## UNIVERSAL DECLARATION OF HUMAN RIGHTS

### COMMEMORATION OF FIFTIETH ANNIVERSARY—INQUIRY

On the Order:

Resuming debate on the inquiry of the Honourable Senator Wilson calling the attention of the Senate to the fiftieth anniversary year of the Universal Declaration on Human Rights, and its implications for Canada.—(*Honourable Senator Carstairs*).

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I am pleased to rise today to participate in the inquiry initiated by the Honourable Senator Wilson and to join with her and others in marking the fiftieth anniversary of the United Nations Declaration of Human Rights which was ratified on December 10, 1948.

In 1948 when this document was drafted, the United Nations was dominated by rich, industrialized countries. The bulk of what has become known as the Third World had not yet joined. Indeed they were largely still colonies. India had only recently received its independence. Africa was still divided between France, the United Kingdom, Belgium and Portugal, all European powers. Elsewhere, the Middle East was under the colonial administration of Westminster and the Quai d'Orsay. Eastern Europe was under Soviet domination. Southeast Asia was controlled by American, Dutch and English interests. Germany and Japan were recently defeated powers attempting to recover from the horrors of losing the Second World War, and Central America was under the guidance of the United States.

Honourable senators, the human rights we adopted in 1948 were drafted by a society different from the one in which we now live. Although we have been shaped by this document, in many respects this document stands as a testament to how far we have come. In my view, we have done quite well with regard to the Declaration of Human Rights. Indeed, our own Canadian Charter of Rights and Freedoms canonizes most of the articles of the declaration.

I would like to take a moment to examine some of the specifics of the declaration and how it pertains to Canada. Articles 1 through 20 are entrenched in our Charter of Rights and Freedoms in varying forms, with the exception of Article 4 which states that no one shall be held in slavery or servitude.

Honourable senators, we may rejoice in the fact that Canada has not had the same history of slavery as others have had, including our neighbour to the south. However, our record is not altogether unblemished in this regard, especially in the example of our treatment of Japanese Canadians during World War II and for which we most humbly stand rebuked. Senator Poy raised in this chamber on February 2, 1999, the infamous Chinese head tax. Also, as someone who grew up in Halifax and watched it firsthand, I can tell you that our treatment of black Canadians has not always been exemplary.

Another section which is not enshrined in our Charter but which certainly is part of our common-law tradition is that of the right to marriage and the founding of a family, as found in Article 16 of the declaration. However, as Canadians, we certainly assert that both genders are equal in this process and must be consenting.

Articles 21 to 30 of the declaration encompass a selection of benefits for all citizens. These include the right to participate in the government of the country, the right to education and the right to work under just and favourable conditions. For the most part, Canada abides entirely by all of them.

I draw your attention to Article 25(1) which states:

Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.

Honourable senators, few other countries in the world can boast the same measure of equal access to health care that we can here in Canada. We realize how fortunate we are here when we visit a hospital abroad. Even in countries with such fine social conditions as France and Italy, we find that we must pay for our visit.

There are still areas in which we have work to do. Child hunger and child poverty exist in Canada at alarming rates. In her recent study, "A Glimpse of Hunger in Canada," Dr. Lynn McIntyre from Dalhousie University states:

...poverty is a reality in Canada, and growing poverty is a matter of national concern. The poverty rate for Canada's children has risen to one in five nationally....For children, the consequences of growing up in poverty too often mean ill-health, poor nutrition, unhealthy child development and poor school readiness....Hunger is a universal symbol of deprivation and is an unacceptable consequence of poverty in any responsible society.

There are others who lack the abilities to provide for their own security and who have been left behind. We must turn around and pick them up. In a rich society like ours, it should be our responsibility, not just something for us to think about. We must

stop thinking, for example, that child hunger is bad. We all agree that it is bad. It is time for us to begin thinking that it is just downright wrong.

Honourable senators, the United Nations Declaration of Human Rights pointed us down a particular path, one that has enabled us to seize other rights that we were only just beginning to dream about in 1948, such as those found in the Declaration of the Rights of the Child, passed in 1959, and the Convention of the Rights of the Child, passed by the United Nations in 1989. Both pick up the torch that was handed down to them from the drafters of the Universal Declaration of Human Rights. The document we are debating today has provided to us a foundation from which we can build.

•(1700)

Honourable senators, human rights are not an elitist tool, nor are they an aristocratic object. If human rights are to have any value at all, they must be applied equally to everyone, be available to all, and embraced by everyone.

We have an admirable record on human rights in Canada. Although we should pause to reflect upon our accomplishments, we should not rest idly on our laurels. We have done well in the last 50 years. Together we can do even better in the years to come.

**Hon. Shirley Maheu (The Hon. The Acting Speaker):** If no other honourable senator wishes to speak, this order is considered debated.

## ACCESS TO CENSUS INFORMATION

### INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Milne calling the attention of the Senate to the lack of access to the 1906 and all subsequent censuses caused by an Act of Parliament adopted in 1906 under the Government of Sir Wilfrid Laurier.—(*Honourable Senator Johnson*).

**Hon. Joan Fraser:** Honourable senators, I realize that this debate was adjourned in the name of Senator Johnson, but I would appreciate the opportunity to speak briefly on this topic, on the understanding, of course, that the debate would continue to be adjourned in her name.

I would thank Senator Milne for drawing this topic to our attention. We live in an information age when data of all kinds are increasingly important. Census data are among the most precious resources we have and the question of access to them merits, I believe, serious consideration by the Senate.

Senator Milne gave us an excellent summary of genealogists' reasons for believing that individual census returns should continue to be available to researchers after an appropriate lapse of time. Genealogists are not the only people who use this material. Many other researchers do as well. I should like to focus particularly on the historical aspect.



It is not always realized that Canada's census has a very long history indeed. The first census of New France was ordered by Louis XIV and conducted by Jean Talon in 1666. You may be interested to know that at that time the population of settlers in New France totalled 3,215. The following year, they did a census of livestock, but I am afraid I do not know how many cows and pigs they found.

Throughout the French regime, periodic censuses were taken. The British regime was less assiduous in collecting such data, but censuses did continue to be taken on an increasingly regular basis and the results have been a vital resource for historians.

Section 8 of the British North America Act specifically instructs the federal government to conduct a decennial census. Accordingly, the first post-Confederation census was taken in 1871 and the Dominion Bureau of Statistics, now Statistics Canada, was established early in this century. It has gained an enviable reputation around the world for the quality and rigor of its work.

We can all understand why the initial policy was adopted in 1906 to ban access to individual returns that would be completed from that time on. The policy met two goals: It ensured that private information would remain private, and that, in turn, helped to ensure that people would tell the truth on their census returns. Since a census is useful only if its results are accurate, this was and is important. Until now, researchers had no particular need to be concerned because they did have access to returns completed before 1906, after a period of 92 years had elapsed.

Now, however, it is 93 years since the blanket ban of 1906. If the policy is not changed, researchers will be forever excluded from examining this important material. It seems to me that we simply must find a way to reconcile once again the tension between the need for individuals to preserve their privacy and the need for researchers to have access to important data.

Canada is not the only country to have faced this dilemma. In Australia, a parliamentary committee has thoroughly examined the same question. It received 291 submissions and reported to the House of Representatives last year. I think we can learn something from its experience.

The Australian committee found the same tensions between competing interests that we face now in Canada. The Australian Bureau of Statistics, like Statistics Canada, was most concerned with ensuring that citizens would feel complete trust that their returns would remain completely private. Indeed, the Australian authorities, unlike Statistics Canada, actually destroy the individual returns.

However, other groups and institutions, including the Australian national archives, argued that it was possible to reconcile that important goal of privacy with the needs of serious researchers. I would like to quote some of these witnesses as reported by the committee.

A historian, Dr. Jennifer Harrison, said:

The records will give us the people. History, I always say, is made up of three elements; it is made up of people and

time and events, but the greatest of all these are the people. When we actually look at movements of people, it is the individual cases that give lie to the myths that have been created. It is only by looking at lots and lots of case studies and building up the actual individual experiences that we get the overall experiences.

A senior political scientist, Professor Donald DeBats, told the Australian committee:

The census creates the people's history because the census is the only record of the people. It is the only record in which the people — all the people — speak.

A demographer told the committee how census analysis was making it possible to analyze historical issues relating to fertility decline. A geographer explained how the examination of individual census returns could contribute to studies of a wide range of questions, from the intergenerational transmission of poverty to the relationship between changes in marital status and fertility and mortality rates.

Dr. Harrison, the historian, also made the vital point that, in her words:

...whereas the 19th century is quite well documented, the 20th century particularly, despite technology, will be relatively unrecorded as far as people go.

Indeed, one might think that it is precisely because of technology that our century and the next one will be relatively unrecorded. In an age of cellular telephones and e-mail, we do not leave the same paper trail that our ancestors left, nor do we require public registration of some of the things that 19th century states required. Common-law marriages, for example, are now numerous and do not need to be registered, so we cannot necessarily replace census information with information gleaned from other sources.

The Australian committee considered all these points of view and concluded that it would be a significant contribution toward preserving Australia's history to give researchers access to individual records after a significant period of time. It recommended allowing access after 99 years. This would be comparable to the practice in the United Kingdom which allows access after 100 years.

It is my understanding that the Australian government has not yet acted and, in any case, Canada obviously should adopt a policy based on its own needs, not on those of another country. I believe that the value of our records, to historians alone, not to mention other fields of research, merit restoring the policy of allowing access to individual returns after a suitable period of time has elapsed.

In an era when people live far longer than they did in the 19th century, 92 years may well be too short a period of time. Many of us know people who are still going strong at the age of 92, and certainly there should be no question of personal information about their childhood suddenly being made public.



Perhaps a longer period; 100 years, or 125 years, would be suitable. It is important not only to preserve the privacy of Canadians but to preserve their trust in the census system. However, honourable senators, I cannot believe that we should seal these records forever. The parallel that to me seems irresistible is with the *Doomsday Book*. When William the Conqueror ordered the compilation of what he called a description of England in the 11th century, his object was not to help out future historians, he simply wanted to be sure he was getting all the tax revenue to which he was entitled. In 1086, his inquirers produced a uniquely thorough record, listing not only individual people but vital information about them, from the amount of land they owned right down to numbers of livestock and agriculture tools. The citizens were not happy, of course. Who wants to pay taxes? It was they who gave this inquiry the name *Doomsday Book*.

•(1710)

Historians have been feasting on the results ever since. The *Doomsday Book*, which is actually two books, are among the most precious historical resources ever compiled. They are consulted even more often today than at some periods in the past because they give an absolutely unparalleled look at how real people actually lived at that moment 900 years ago.

Honourable senators, our individual census records are better than the *Doomsday Book* because they continue through time, through more than three centuries now. Nothing else can compare with them.

The accounts of our history that are written by those who participated or observed that history as it unfolded will inevitably be shaded by writers' views of the truth, or even, dare I say, by writers' wishes to distort the truth. The census records do not lie.

I find it simply inconceivable that we should close our minds to this wonderful, irreplaceable record. One of the great lessons we have learned as a society is, surely, that to move forward with constructive purpose we must look to where we have been and how we got to where we are now. We have been able to consult our past. Surely, the generations to come deserve, in turn, the right to consult their past.

**Hon. John B. Stewart:** Honourable senators, I should like to ask a couple of questions of the Honourable Senator Fraser. Were there particular questions that brought forth information which was regarded as not suitable for publication even after 90 or so years?

**Senator Fraser:** Honourable senators, I am not quite sure. If one looks at the census forms, one can see that there are some questions about which one would hesitate to have the results made public. For example, there are very detailed questions about income on the long form. There are questions about the

status of one's marriage. There are still people who would prefer that their children not know that their marriage is common law rather than traditional.

It seems to me that after a great deal of time has passed, these records, like cabinet and royal records, lose that sensitivity and become a historical resource.

**Senator Stewart:** Honourable senators, I suppose to some extent the answer to my question could be found by looking at the speeches that were made back in 1906 when the act was amended.

Are the questions relative to marital status and income as precise as they were in 1906? Perhaps there is a distinction between the short form and the long form in this regard.

**Senator Fraser:** I am sorry that I did not bring my copies of the forms with me. As I looked at the questions last night, however, I thought they were probably more detailed and precise now than they were in 1906. They go on at some length about income from rents, income from dividends, income from all kinds of things. I believe we ask more now than we did then. However, I believe the basic point probably remains the same.

**Senator Stewart:** Am I correct in thinking that while on the one hand the honourable senator thinks that some of this information should remain undisclosed for a long period of time, there is the feeling that after the expiry of that long period of time the reasons for the non-disclosure in the earlier years have lost their significance and, consequently, the information should be available? I think that is the honourable senator's position.

I understand, by the way, with the help of Senator Milne, that the questions on the 1911 census are identical to those on the 1901 census, which would seem to answer my earlier question.

**Senator Fraser:** I believe you have understood it perfectly, Senator Stewart.

I would add that notions of what is extremely private or sensitive vary, as we know, from time to time and from country to country. I was interested to learn, for example, that in Australia they do not even ask a date of birth. I am not sure why. I can only assume it is because it was thought that some people would lie about it.

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I ask that the item remain adjourned in the name of Senator Johnson.

On motion of Senator Carstairs, for Senator Johnson, debate adjourned.

The Senate adjourned until Tuesday February 9, 1999, at 2 p.m.



**THE SENATE OF CANADA**  
**PROGRESS OF LEGISLATION**  
**(1st Session, 36th Parliament)**  
**Thursday, February 4, 1999**

**GOVERNMENT BILLS**  
**(SENATE)**

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
S-2	An Act to amend the Canadian Transportation Accident Investigation and Safety Board Act and to make a consequential amendment to another Act (Sen. Graham)	97/09/30	97/10/21	Transport and Communications	98/04/02	four	98/05/27	98/06/18	20/98
S-3	An Act to amend the Pension Benefits Standards Act, 1985 and the Office of the Superintendent of Financial Institutions Act (Sen. Graham)	97/09/30	97/10/21	Banking, Trade and Commerce	97/11/05	seven	97/11/20	98/06/11	12/98
S-4	An Act to amend the Canada Shipping Act (maritime liability) (Sen. Graham)	97/10/08	97/10/22	Transport and Communications	97/12/12	three	97/12/16	98/05/12	06/98
S-5	An Act to amend the Canada Evidence Act and the Criminal Code in respect of persons with disabilities, to amend the Canadian Human Rights Act in respect of persons with disabilities and other matters and to make consequential amendments to other Acts (Sen. Graham)	97/10/09	97/10/29	Legal and Constitutional Affairs	97/12/04	one	97/12/11 Senate agreed to Commons amendments 98/05/06	98/05/12	09/98
S-9	An Act respecting depository bills and depository notes and to amend the Financial Administration Act (Sen. Graham)	97/12/03	97/12/12	Banking, Trade and Commerce	98/02/24	one	98/03/19	98/06/11	13/98
S-16	An Act to implement an agreement between Canada and the Socialist Republic of Vietnam, an agreement between Canada and the Republic of Croatia and a convention between Canada and the Republic of Chile, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income	98/05/05	98/05/12	Foreign Affairs	98/05/28	none	98/06/02	98/12/03	33/98
S-21	An Act respecting the corruption of foreign public officials and the implementation of the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, and to make related amendments to other Acts	98/12/01	98/12/03	Whole	98/12/03	one at 3rd	98/12/03	98/12/10	34/98
S-22	An Act authorizing the United States to preclear travellers and goods in Canada for entry into the United States for the purposes of customs, immigration, public health, food inspection and plant and animal health	98/12/01							



S-23	An Act to amend the Carriage by Air Act to give effect to a Protocol to amend the Convention for the Unification of Certain Rules Relating to International Carriage by Air and to give effect to the Convention, Supplementary to the Warsaw Convention, for the Unification of Certain Rules Relating to International Carriage by Air Performed by a Person Other than the Contracting Carrier	98/12/10	99/02/03	Transport and Communications
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**GOVERNMENT BILLS  
(HOUSE OF COMMONS)**

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
C-2	An Act to establish the Canada Pension Plan Investment Board and to amend the Canada Pension Plan and the Old Age Security Act and to make consequential amendments to other Acts	97/12/04	97/12/16	Committee of the whole 97/12/17	97/12/17	none	97/12/18	97/12/18	40/97
C-3	An Act respecting DNA identification and to make consequential amendments to the Criminal Code and other Acts	98/09/30	98/10/22	Legal and Constitutional Affairs	98/12/08	none	98/12/09	98/12/10	37/98
C-4	An Act to amend the Canadian Wheat Board Act and to make consequential amendments to other Acts	98/02/18	98/02/26	Agriculture and Forestry	98/05/14	five	98/05/14	98/06/11	17/98
C-5	An Act respecting cooperatives	97/12/09	97/12/16	Banking, Trade and Commerce	98/02/24	none	98/02/25	98/03/31	01/98
C-6	An Act to provide for an integrated system of land and water management in the Mackenzie Valley, to establish certain boards for that purpose and to make consequential amendments to other Acts	98/03/18	98/03/26	Aboriginal Peoples	98/06/09	none	98/06/18	98/06/18	25/98
C-7	An Act to establish the Saguenay-St. Lawrence Marine Park and to make a consequential amendment to another Act	97/11/25	97/12/02	Energy, Environment and Natural Resources	97/12/09	none	97/12/10	97/12/10	37/97
C-8	An Act respecting an accord between the Governments of Canada and the Yukon Territory relating to the administration and control of and legislative jurisdiction in respect of oil and gas	98/03/17	98/03/25	Aboriginal Peoples	98/03/31	none	98/04/01	98/05/12	05/98
C-9	An Act for making the system of Canadian ports competitive, efficient and commercially oriented, providing for the establishing of port authorities and the divesting of certain harbours and ports, for the commercialization of the St. Lawrence Seaway and ferry services and other matters related to maritime trade and transport and amending the Pilotage Act and amending and repealing other Acts as a consequence	97/12/09	98/03/26	Transport and Communications	98/05/13	none	98/05/28	98/06/11	10/98

C-10	An Act to implement a convention between Canada and Sweden, a convention between Canada and the Republic of Lithuania, a convention between Canada and the Republic of Kazakhstan, a convention between Canada and the Republic of Ireland and a convention between Canada and the Kingdom of Denmark for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and to amend the Canada-Netherlands Income Tax Convention Act, 1986 and the Canada-United States Tax Convention Act, 1984	97/12/02	97/12/08	Banking, Trade and Commerce	97/12/09	none	97/12/10	97/12/10	38/97
C-11	An Act respecting the imposition of duties of customs and other charges, to give effect to the International Convention on the Harmonized Commodity Description and Coding System, to provide relief against the imposition of certain duties of customs or other charges, to provide for other related matters and to amend or repeal certain Acts in consequence thereof.	97/11/19	97/11/27	Banking, Trade and Commerce	97/12/04	none	97/12/08	97/12/08	36/97
C-12	An Act to amend the Royal Canadian Mounted Police Superannuation Act	98/04/28	98/04/30	Social Affairs, Science & Technology	98/06/04	none	98/06/08	98/06/11	11/98
C-13	An Act to amend the Parliament of Canada Act	97/10/30	97/11/05	Legal and Constitutional Affairs	97/11/06	none	97/11/18	97/11/27	32/97
C-15	An Act to amend the Canada Shipping Act and to make consequential amendments to other Acts	98/05/05	98/06/03	Transport and Communications	98/06/10	none	98/06/11	98/06/11	16/98
C-16	An Act to amend the Criminal Code and the Interpretation Act (powers to arrest and enter dwellings)	97/11/18	97/12/11	Legal and Constitutional Affairs	97/12/16	none	97/12/17	97/12/18	39/97
C-17	An Act to amend the Telecommunications Act and the Teleglobes Canada Reorganization and Divestiture Act	97/12/09	98/02/24	Transport and Communications	98/03/25	none	98/04/29	98/05/12	08/98
C-18	An Act to amend the Customs Act and the Criminal Code	98/02/10	98/02/18	Legal and Constitutional Affairs	98/04/02	none	98/04/28	98/05/12	07/98
C-19	An Act to amend the Canada Labour Code (Part I) and the Corporations and Labour Unions Returns Act and to make consequential amendments to other Acts	98/05/26	98/06/08	Social Affairs, Science & Technology	98/06/18	none	98/06/18	98/06/18	26/98
C-20	An Act to amend the Competition Act and to make consequential and related amendments to other Acts	98/09/24	98/11/17	Banking, Trade and Commerce	98/12/03	none + two at 3rd	98/12/10		
C-21	An Act to amend the Small Business Loans Act	98/03/19	98/03/25	Banking, Trade and Commerce	98/03/26	none	98/03/31	98/03/31	04/98
C-22	An Act to implement the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction	97/11/25	97/11/26	Foreign Affairs	97/11/27	none	97/11/27	97/11/27	33/97
C-23	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1998	97/11/26	97/12/04	—	—	—	97/12/08	97/12/08	35/97

C-24	An Act to provide for the resumption and continuation of postal services	97/12/02	97/12/03	Committee of the whole	97/12/03	none	97/12/03	97/12/03	34/97
C-25	An Act to amend the National Defence Act and to make consequential amendments to other Acts	98/06/11	98/06/18	Legal and Constitutional Affairs	98/11/24	one	98/12/01	98/12/10	35/98
C-26	An Act to amend the Canada Grain Act and the Agriculture and Agri-Food Administrative Monetary Penalties Act and to repeal the Grain Futures Act	98/06/08	98/06/16	Agriculture and Forestry	98/06/18	none	98/06/18	98/06/18	22/98
C-28	An Act to amend the Income Tax Act, the Income Tax Application Rules, the Bankruptcy and Insolvency Act, the Canada Pension Plan, the Children's Special Allowances Act, the Companies' Creditors Arrangement Act, the Cultural Property Export and Import Act, the Customs Act, the Customs Tariff, the Employment Insurance Act, the Excise Tax Act, the Federal-Provincial Fiscal Arrangements Act, the Income Tax Conventions Interpretation Act, the Old Age Security Act, the Tax Court of Canada Act, the Tax Rebate Discounting Act, the Unemployment Insurance Act, the Western Grain Transition Payments Act and certain Acts related to the Income Tax Act	98/04/28	98/05/12	Banking, Trade and Commerce	98/06/04	none	98/06/16	98/06/18	19/98
C-29	An Act to establish the Parks Canada Agency and to amend other Acts as a consequence	98/06/03	98/06/15	Energy, the Environment and Natural Resources	98/10/20	none	98/11/19	98/12/03	31/98
C-30	An Act respecting the powers of the Mi'kmaq of Nova Scotia in relation to education	98/06/11	98/06/16	Aboriginal Peoples	98/06/18	none	98/06/18	98/06/18	24/98
C-31	An Act respecting Canada Lands Surveyors	98/05/07	98/05/26	Energy, the Environment and Natural Resources	98/06/09	none	98/06/10	98/06/11	14/98
C-33	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1998	98/03/18	98/03/25	—	—	—	98/03/26	98/03/31	02/98
C-34	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1999	98/03/18	98/03/26	—	—	—	98/03/31	98/03/31	03/98
C-35	An Act to amend the Special Import Measures Act and the Canadian International Trade Tribunal Act	98/12/07							
C-36	An Act to implement certain provisions of the budget tabled in Parliament on February 24, 1998	98/05/28	98/06/08	National Finance	98/06/15	none	98/06/17	98/06/18	21/98
C-37	An Act to amend the Judges Act and to make consequential amendments to other Acts	98/06/11	98/09/22	Legal and Constitutional Affairs	98/10/22	eight	98/11/04	98/11/18	30/98
C-38	An Act to amend the National Parks Act (creation of Tuktut Nogait National Park)	98/06/15	98/06/17	Energy, the Environment and Natural Resources	98/12/01	none	98/12/10	98/12/10	39/98
C-39	An Act to amend the Nunavut Act and the Constitution Act, 1867	98/06/03	98/06/08	Aboriginal Peoples	98/06/09	none	98/06/10	98/06/11	15/98



C-40	An Act respecting extradition, to amend the Canada Evidence Act, the Criminal Code, the Immigration Act and the Mutual Legal Assistance in Criminal Matters Act and to amend and repeal other Acts in consequence	98/12/02	98/12/10	Legal and Constitutional Affairs				
C-41	An Act to amend the Royal Canadian Mint Act and the Currency Act	98/12/02	98/12/09	National Finance				
C-42	An Act to amend the Tobacco Act	98/12/02	98/12/08	Legal and Constitutional Affairs	none	98/12/10	98/12/10	38/98
C-43	An Act to establish the Canada Customs and Revenue Agency and to amend and repeal other Acts as a consequence	98/12/08						
C-45	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1999	98/06/10	98/06/16	—	—	98/06/17	98/06/18	28/98
C-46	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1999	98/06/10	98/06/16	—	—	98/06/17	98/06/18	29/98
C-47	An Act to amend the Parliament of Canada Act, the Members of Parliament Retiring Allowances Act and the Salaries Act	98/06/11	98/06/16	Banking, Trade and Commerce	none	98/06/17	98/06/18	23/98
C-51	An Act to amend the Criminal Code, the Controlled Drugs and Substances Act and the Corrections and Conditional Release Act	98/11/18	98/12/03	Legal and Constitutional Affairs				
C-52	An Act to implement the Comprehensive Nuclear Test-Ban Treaty	98/10/20	98/10/28	Foreign Affairs	one	98/11/24	98/12/03	32/98
C-53	An Act to increase the availability of financing for the establishment, expansion, modernization and improvement of small businesses	98/11/25	98/12/02	Banking, Trade and Commerce	none	98/12/09	98/12/10	36/98
C-57	An Act to amend the Nunavut Act with respect to the Nunavut Court of Justice and to amend other Acts in consequence	98/12/07	98/12/10	Legal and Constitutional Affairs				
C-58	An Act to amend the Railway Safety Act and to make a consequential amendment to another Act	99/02/02						
C-59	An Act to amend the Insurance Companies Act	98/12/10	99/02/04	Banking, Trade and Commerce				
C-60	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1999	98/12/02	98/12/08	—	—	98/12/09	98/12/10	40/98

## COMMONS PUBLIC BILLS

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
C-208	An Act to amend the Access to Information Act	98/11/17							
C-220	An Act to amend the Criminal Code and the Copyright Act (profit from authorship respecting a crime) (Sen. Lewis)	97/10/02	97/10/22	Legal and Constitutional Affairs	98/06/10 adopted	recommend Bill not proceed			
C-410	An Act to change the name of certain electoral districts	98/05/28	98/06/04	Legal and Constitutional Affairs	98/06/08	two	98/06/09	98/06/18	27/98
C-411	An Act to amend the Canada Elections Act	98/05/28	98/06/04	Legal and Constitutional Affairs	98/06/08	none	98/06/09	98/06/11	18/98
C-445	An Act to change the name of the electoral district of Stormont-Dundas	98/12/07	98/12/09	Legal and Constitutional Affairs	99/02/04	none			
C-484	An Act to change the name of the electoral district of Sackville-Eastern Shore	98/12/07	98/12/09	Legal and Constitutional Affairs	99/02/04	none			
C-465	An Act to change the name of the electoral district of Argenteuil-Papineau	98/12/07	98/12/09	Legal and Constitutional Affairs	99/02/04	none			

## SENATE PUBLIC BILLS

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
S-6	An Act to establish a National Historic Park to commemorate the "Persons Case" (Sen. Kenny)	97/11/05	97/11/25	Energy, the Environment and Natural Resources					
S-7	An Act to amend the Criminal Code to prohibit coercion in medical procedures that offend a person's religion or belief that human life is inviolable (Sen. Haidasz, P.C.)	97/11/19	97/12/02	Legal and Constitutional Affairs					
S-8	An Act to amend the Tobacco Act (content regulation) (Sen. Haidasz, P.C.)	97/11/26	97/12/17	Social Affairs, Science & Technology	98/04/30	two	Dropped from Order Paper pursuant to Rule 27(3)	98/10/01	
S-10	An Act to amend the Excise Tax Act (Sen. Di Nino)	97/12/03	98/03/19	Social Affairs, Science & Technology	98/06/03	none	referred back to Committee	98/09/24	
S-11	An Act to amend the Canadian Human Rights Act in order to add social condition as a prohibited ground of discrimination (Sen. Cohen)	97/12/10	98/03/17	Legal and Constitutional Affairs	98/12/09	one			
S-12	An Act to amend the Criminal Code (abuse of process) (Sen. Cools)	98/02/10	98/05/06	Legal and Constitutional Affairs	98/06/04	one			
S-13	An Act to incorporate and to establish an industry levy to provide for the Canadian Anti-Smoking Youth Foundation (Sen. Kenny)	98/02/26	98/04/02	Social Affairs, Science & Technology	98/05/14	seven + two at 3rd	98/06/10	Bill withdrawn pursuant to Commons Speaker's Ruling	98/12/02
S-14	An Act providing for self-government by the first nations of Canada (Sen. Tkachuk)	98/03/25	98/03/31	Aboriginal Peoples					

S-15	An Act respecting the declaration of royal assent by the Governor General in the Queen's name to bills passed by the Houses of Parliament (Sen. Lynch-Staunton)	98/04/02	98/06/09	Legal and Constitutional Affairs	98/06/18 report withdrawn 98/12/08	four	Bill withdrawn 98/12/08
S-17	An Act to amend the Criminal Code respecting criminal harassment and other related matters (Sen. Oliver)	98/05/12	98/06/02	Legal and Constitutional Affairs			
S-19	An Act to give further recognition to the war-time service of Canadian merchant navy veterans and to provide for their fair and equitable treatment (Sen. Forrestall)	98/06/18					

PRIVATE BILLS

S-18	An Act respecting the Alliance of Manufacturers & Exporters Canada (Sen. Kelleher, P.C.)	98/06/17	Dropped from Order Paper pursuant to Rule 27(3) 98/11/17				
S-20	An Act to amend the Act of incorporation of the Roman Catholic Episcopal Corporation of Mackenzie (Sen. Taylor)	98/09/23	98/10/29	Social Affairs, Science & Technology	98/12/03	three	98/12/09



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OFFICIAL REPORT  
(HANSARD)

**Tuesday, February 9, 1999**

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THE HONOURABLE GILDAS L. MOLGAT  
SPEAKER

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(Daily index of proceedings appears at back of this issue.)

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## THE SENATE

Tuesday, February 9, 1999

The Senate met at 2:00 p.m., the Speaker in the Chair.

Prayers.

### THE LATE KING HUSSEIN OF JORDAN

#### TRIBUTES

#### **Hon. B. Alasdair Graham (Leader of the Government):**

Honourable senators from the time of his ascent to the throne at the age of 17, Jordan's King Hussein was a man of few illusions about the dangerous neighbourhood his countrymen inhabited; a neighbourhood where geopolitics and history, religion and ideology cast some of the darkest shadows known to man.

Ruling Jordan was always a complex and deadly balancing act and peace with Israel, which some have called an insurance policy against the ambitions of his Arab neighbours, became central to his wider goal of achieving a comprehensive peace in the region. King Hussein would pursue that peace across decades of danger, and through at least 12 assassination attempts. His pursuit of that peace would intensify after his first battle against cancer in 1992, an illness which gave him great fear, as he said at the time, "about what would happen if I was not there — so I knew I had to do everything I could, in whatever time I had left, to achieve peace and make it work."

Thus, the man who took the side of peace spent the final years and months of his life in a relentless, courageous struggle; a struggle to leave his own people and the people of the Middle East with his personal legacy, a gift of peace from a man who knew war and grew to hate it, the gift of peace to a dark neighbourhood where hope had been often forgotten.

•(14:10)

King Hussein called the Peace Treaty of 1994 between Jordan and Israel his greatest achievement. When he paid a condolence visit to the families of Israeli victims of a Jordanian gunman in 1997, he knelt, with tears in his eyes, and he hugged them. I quote the mother of one of the victims when she recalled:

The King gave me the strength to get up the next morning with a smile and tell my daughter in heaven, there will be peace.

That pledge came from a man whose life was about adventure and diplomacy, war, survival and charm — the stuff of a great novel — but more particularly, from a man whose life was mainly about courage. The life of Hussein bin Talal bin Hussein, a descendant of a proud Arabian lineage which can be traced back to Mohammed, was one of the shining stars, one of the brightest lights of the 20th century.

When he left the Mayo Clinic in October last year to attend the Wye summit, His Majesty was pale, wan and bald, from many

rounds of chemotherapy. Yet somehow he was able to draw upon enormous sources of inner strength, strength which led him in his final days and weeks to apply his immeasurable personal stature to the continuing cause of peace. I quote just a little from the wonderful statement he gave at the Middle East signing ceremony that concluded the summit on October 23 last. He spoke of his people and of all the descendants of the children of Abraham.

We quarrel, we agree; we are friendly, we are not friendly. But we have no right to dictate through irresponsible action or narrow-mindedness the future of our children and our children's children. There has been enough destruction, enough death, enough waste. It is time that, together, we occupy a place beyond ourselves, our peoples, that is worthy of them under the sun.

That was the vision of this extraordinary King with the lion's heart, a man whose people can barely begin to imagine life without him. This was a vision of a place beyond ourselves, a place where tolerance and hope will fill the neighbourhoods of the descendants of the children of Abraham, a place where the dark shadows of destruction and war are forgotten. That place beyond ourselves — that better place — is called peace.

Honourable senators, I should like to express most sincere condolences to His Majesty's wife, Queen Noor, to all the members of his family, to the Jordanian people as a whole, and to His Excellency the Ambassador, who is with us in the gallery today.

To his successor, King Abdullah, we pledge our support in his continuous pursuit of the kind of lasting peace which his remarkable father championed on behalf of his people, their neighbours, their children and their children's children.

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, on behalf of Her Majesty's Loyal Opposition in the Senate, I rise to extend to His Excellency the Ambassador, who is in the gallery, and to the people of Jordan, our expression of solidarity at the passing of King Hussein.

This great soldier of peace was admired and loved not only at home in Jordan but, indeed, abroad. Canadians joined yesterday with the people on the streets of Amman in expressing their awe and their sadness as this recognized world leader was returned to the desert sand.

The world, honourable senators, retains so many images of King Hussein. We recall, in recent times, how, despite his failing health, he provided the needed leadership to help realize the Wye peace accord between Israel and the PLO. Indeed, the past 46 years is replete with such heroic efforts. It is our wish that the work for peace undertaken by King Hussein will continue and thereby serve as a continuing epitaph.

Honourable senators, together with Jamil Hamam, who stood yesterday on the cortege route and with his words, "We pray that Allah will be merciful and that King Hussein is now in paradise with the prophets."

To His Excellency, to the people of Jordan, to members of the royal family, we express our condolences. To King Abdullah II, we pray for Godspeed.

[Translation]

**Hon. Marcel Prud'homme:** Honourable senators, the passing of His Majesty, King Hussein of Jordan, ought to leave all Canadians still more determined to step up our efforts toward the peace he so greatly desired. All of us in this part of the world also want peace, and the rest of humanity ought to follow our example.

Peace must be created within a context of partnership, cooperation, generosity and the humility to recognize past mistakes, to acknowledge our embarrassing lack of concern, if not total silence, and our fear of speaking out clearly on the real issues involved in the ever-explosive and increasingly dangerous situation in the Middle East.

How many times did His Majesty warn us that action was needed? And how many times, after that warning, did we prefer to keep our silence, to hide, to refuse to do anything?

[English]

Today we have the presence of His Excellency Samir Khalifeh, Ambassador of the Hashemite Kingdom of Jordan to Canada, whom I had the opportunity to meet yesterday. We are mourning the loss of this great King. His Excellency Samir Khalifeh is the second ambassador of his highly respected family to represent Jordan in Canada. I had the honour to work closely with his brother, His Excellency Hani Khalifeh, who is now ambassador of Jordan to the Kingdom of Saudi Arabia.

From him and from you, Your Excellency, I learned much about the complex difficulties which Jordan has experienced. His Majesty has been widely quoted in these last few days. He once said:

• (1420)

I believe we must live with courage and will. I must do so because, regardless of any difficulties I face, when the time comes for me to lose my life, I would at least have done my best.

The new king will need our prayers and active support in the political, economical and defensive situation that is becoming more explosive. Please, honourable senators, let us awaken to our responsibilities and be truly proud of what we are supposed to be when we say we are Canadians.

To the new king and to the 10 other children of His Majesty King Hussein, I offer my deepest condolences and prayers.

To Queen Noor and to the mother of His Highness King Abdullah, I wish them courage.

I extend condolences to someone well known by some of us here, Prince Hassan, who until a few days ago was the Crown Prince. I hope and pray that he will share his immense knowledge with the new king and continue his activities. I participated in one such activity as a proud Canadian senator, and his guest on June 7 and 8, 1997, when he organized a conference of parliamentarians from around the world to combat "Islam-phobia."

To the members of the Parliament of Jordan, I offer my condolences, and to all of the Jordanian people, please have courage.

**Hon. Jerahmiel S. Grafstein:** Honourable senators, the late King Hussein's grandfather, King Abdullah, the namesake of the new king, the first king of Transjordan, who was later assassinated before his grandson's eyes, met with Dr. Chaim Weizmann, the then leader of the Zionist movement, in the early 1920s, before Winston Churchill, who was then colonial secretary, envisaged and presented his plan for two new states, one Arab, one Jewish, on the East and West Banks of the Jordan. That eastern portion of the Jordan became Transjordan in 1921, and King Abdullah became King Abdullah I. Both wholly agreed with Churchill's recommendations. Israel became a state in 1948. It took 70 years, and much bloodshed, for a peace agreement finally to be signed between Jordan and Israel.

The late King Hussein, like his grandfather, became a leading activist of peace for his people, his neighbours, and all the people in that turbulent region. For this he will always be remembered in history. I say to him, "*salam alaikam*" to the late King, and "*salam alaikam*" to his son, King Abdullah II. Peace be unto you.

VISITOR IN THE GALLERY

**The Hon. the Speaker:** Honourable senators, at this time, I wish to recognize the presence in the gallery of His Excellency Samir Khalifeh, Ambassador of the Hashemite Kingdom of Jordan.

Please rise with me for a moment of silence.

*Honourable senators then stood in silent tribute.*

## SENATORS' STATEMENTS.

### HUMAN RIGHTS

#### ANNIVERSARY OF LEGISLATION INTRODUCED IN NOVA SCOTIA

**Hon. Calvin Woodrow Ruck:** Honourable senators, on this day, I permitted my name to go forward that I may become a member of the human rights committee. As a result, I am reminded of my days in Nova Scotia when the government there brought forward its first human rights legislation. That initial legislation dealt with employment. It applied to all employers who hired more than six employees. This opened the door to members of minority groups.

Later, the government brought down further legislation with respect to public accommodation. Major hotel chains in Nova Scotia did not permit minority people to stay within their quarters, and that practice was abolished by that legislation.

Still later, the Government of Nova Scotia dealt with public accommodations of various kinds, places like poolrooms, that were out of bounds to members of minority groups. This legislation, with its various amendments, has made a tremendous difference in the province of Nova Scotia. I cannot speak about all the other provinces of Canada, but I know it had an impact on the lifestyle of minority peoples, including members of my race and members of native groups.

We have come a long ways, and it is a real pleasure for me to serve on the committee on human rights here on behalf of the Government of Canada.

### PLIGHT OF THE HOMELESS

**Hon. Erminie J. Cohen:** Honourable senators, for the past seven months, a man known only as "Al" had been living on the heating grate outside the Ontario legislature. Covered with blankets to protect against the cold, he found what comfort he could on his metal bed. Last week we saw another tragedy occur as a result of our current national disaster with regard to the homeless. Al was found dead.

This incident has changed our perception of the people who live on Canadian streets. Are they dirty and tattered? Those who knew Al said he was always clean-shaven and neatly dressed. Have they run out of ambition and given up on life? Al had been attending computer classes each day and stated that he knew he would need these skills to re-enter the labour force. Do they all have mental illness or addiction problems? Al was known to be well composed, with a good sense of humour and, above all, a very nice man.

Let us not forget that, despite his anonymity, Al was someone, one of our citizens. This pleasant man in his late fifties was someone's brother, father, son or grandfather. It has become too easy to say the word "homeless." We have become desensitized to what it means. We are talking about men and women of all ages and walks of life who do not have a place to live. They have no bed to sleep in at night, no place to cook meals. Their friends and families cannot come to visit. Holidays are spent in shelters sponsored by various charities. Their homes are cardboard boxes, metal grates, or maybe a lobby if they are lucky. On particularly cold nights, sleeping bags might be handed out by the street patrol. Shelters close each morning at seven o'clock or eight o'clock, and they are back on the street. It is a life void of dignity and control.

When a homeless man dies within sight of the Ontario legislature, a man who did not fit the stereotype of a street person, it further emphasizes the need for the government to take action with the provinces in the construction of low-cost housing. During the social union talks, the debate was dominated by concerns over the health care system. It must be recognized that affordable, decent shelter and nutritious food are the starting point for anyone's health and the basic right of any Canadian. We

must work to end what journalist David Macfarlane has so aptly called "our national indifference and our national disgrace."

•(1430)

### CANADA-RUSSIA PARLIAMENTARY GROUP

#### VISIT OF RUSSIAN CHAIRMAN

**Hon. Marcel Prud'homme:** Honourable senators, tonight a great event is taking place on the Hill. On behalf of Senator Whelan and Madam Beaumier, the Member of Parliament for Brampton West—Mississauga, who are the co-chairs of our Canada-Russia Parliamentary Group, I wish to inform the Senate that the Deputy Prime Minister of Russia is visiting our precincts.

As there is a vote in the House of Commons at around the same time as his scheduled visit, there may be limited time for the Deputy Prime Minister to meet with people.

This gentleman is also the Minister of Agriculture and the counterpart to Senator Whelan as chairman of the Canada-Russia Parliamentary Group. He is also a member of the Duma, and the leader of the Russian Agrarian Party. It is my hope that honourable senators will accept this invitation to meet with the Deputy Prime Minister and Senator Whelan at 5:15 this afternoon, in Room 356.

I would take this occasion to thank Senator Maheu, who has kindly agreed to move her committee meeting to another room in order that we make these arrangements.

### PRINCE EDWARD ISLAND

#### ONE HUNDRED AND TWENTIETH ANNIVERSARY OF OPENING OF PARKSIDE SCHOOL

**Hon. Catherine S. Callbeck:** Honourable senators, we in Prince Edward Island will mark an important anniversary in the annals of education in my home province this Friday. It was 120 years ago, on January 6, 1879, that the first educational facility to accommodate 12 full grades opened on the Island. The impact of this bold step was felt far and wide, given the fact that Parkside School has been called Canada's first modern school.

What makes this anniversary so impressive is that the Davies School, as it was known in the years following its construction, is still fully operational well over a century later. This makes Parkside the oldest school of its kind in continual use anywhere in Canada.

Many influential Islanders have walked the hallways of Parkside School, known affectionately by some as "Canada's big red school house." Some noteworthy graduates of this institution include former premier and federal cabinet minister, J. Angus MacLean, premiers Saunders, Thane and Alex Campbell. Two archbishops, Cornelius O'Brien and John T. MacNally, were also students there. I had the privilege of attending Parkside School. My fondest recollection is the quality, hard work and dedication of all of my teachers.



The school was the brainchild of the then premier Sir Lewis Henry Davies who previously had the foresight to put in place Prince Edward Island's first Public Schools Act. This bold initiative brought about significant changes in Prince Edward Island's education system, one of which was the Davies School. Located at the corner of Green and Summer Streets, the school cost over \$5,000 to construct, quite a sum by 1879 standards. However, school children and their parents were quick to respond to the state of the art, two-story structure. In fact, the number of students enrolled that first year totalled an impressive 622.

Recently, having received entry into the province registry of heritage places, school organizers have even grander plans in mind for Parkside. T. Wayne Wright has created a proposal to have the building recognized as a national historic site. Given the brief facts that I have put before you today, I trust that honourable senators will agree with me that such a designation is warranted and well deserved.

In the meantime, Islanders, many of whom are proud former Parkside students, will be gathering this Friday for a gala celebration for this grand old building. I wish them well, and offer my best wishes and support for the Parkside Association's effort to have Parkside School recognized as a national historic site of Canada.

#### CITIZENSHIP AND HERITAGE WEEK

**Hon. Mabel M. DeWare:** Honourable senators, I rise today in celebration of Citizenship and Heritage Week 1999, which runs from February 8 to the 15. It gives each of us an opportunity to reflect on something that is very close to my heart, and that is: what it means to be a Canadian. For me, our citizenship is the soul of Canada, and of our identity as Canadians. Our many rights, freedoms, privileges and opportunities, things which can only be dreamed about by people in many countries, are rooted in our citizenship.

Far too often, however, we take our citizenship for granted. That is why it is important, not only this week but throughout the year, to take the time to think about and appreciate everything that Canadian citizenship gives us. Equally important, we should also consider the responsibilities that we as Canadians have to our wonderful country.

Citizenship and Heritage Week is not just some made-in-Ottawa occasion. Events are being held across the nation so that all Canadians can take part. These events are being organized by and for people in our local communities, in every province and territory. For example, a number of schools and community groups are holding ceremonies where participants will either receive their Canadian citizenship for the first time, or reaffirm their citizenship.

Canadian citizenship is still very young. I was not a Canadian citizen when I was born, even though I was born in Moncton, New Brunswick. I did not become a Canadian until I was 21.

Canada had already been a country for 80 years before we got our own citizenship, in 1947. During that time, our soldiers helped win two world wars. Even though our young citizenship is already strong, it needs the care and nurturing of individual Canadians in order that it may grow even stronger.

In September, I was privileged to speak to a group of young Canadians as part of the Encounters with Canada Program, which I am sure honourable senators will agree is a wonderful program. I chose as my subject Canadian citizenship, because it is important to educate our young people in this critical area. Let me tell you I was absolutely thrilled by the reaction I received. Many of them told me afterwards that they had not realized how lucky they were to be Canadians. These high school students were about 17 or 18 years of age. I suggested that they go home and speak to their student councils, arrange for a citizenship assembly and invite a citizenship judge or someone from Citizenship and Immigration to take the citizenship oath or renew their citizenship vows. From the information coming to us about what is happening across Canada in the schools, it looks as if some of those students have acted upon my suggestion.

During Citizenship and Heritage Week, I urge honourable senators and all Canadians to think about the tremendous benefits that flow from the rights and responsibilities that our citizenship bestows upon us. We should be proud to call ourselves Canadians.

#### BLACK HISTORY MONTH

##### LANDMARK JUDICIAL DECISION IN FAVOUR OF VISIBLE MINORITY COMMUNITIES

**Hon. Donald H. Oliver:** Honourable senators, one of the advantages of having the month of February designated as Black History Month provides me with the opportunity to bring to the attention of honourable senators certain things such as a landmark decision of the Ontario Court of Appeal rendered by Judge George Finlayson on December 30, 1998.

The appeal was heard on November 9, of three convictions for importing and trafficking heroin. During the jury selection prior to the trial, defence counsel sought to ask prospective jurors whether their abilities to judge the evidence fairly would be influenced by the fact that the accused were three people of Chinese origin. The trial judge refused to permit the question. He took judicial notice of the fact that Chinese people in Ontario were judged individually and were not classed as a race.

The accused were convicted and they received life sentences. They appealed the case. The accused argued that the trial judge improperly refused to permit the proposed challenge for cause. The appeal was allowed, the convictions set aside, and a new trial was ordered.

According to Judge Finlayson, the trial judge was not entitled to take judicial notice that Chinese people were not subject to racism. He continued to write that the trial judge should allow a challenge for cause by any member of a visible minority.

I welcome this landmark decision as once again acknowledging the harsh realities of members of visible minority communities. Ontario courts are to take judicial notice that reasonable persons were aware of the history of discrimination against visible minorities. Racism is a fact of judicial life and has to be addressed directly through court-approved challenges to members of the jury pool. Challenges to a potential juror on the basis of bias, of course, have been allowed in the Canadian law for some time.

●(1440)

This has major implications for human rights and the visible minority communities. The potential for racism pervades all cases involving a visible minority accused. The right to challenge for cause remains an essential filament in the web of protections which the law has woven to protect the constitutional rights to have one's guilt or innocence determined by an impartial jury. Racism is a pernicious reality, and it is complacent not to acknowledge its presence, not only individually and communally but also systemically and institutionally.

Racial prejudice and its effects are as invasive and elusive as they are corrosive. We should not assume that institutions or other safeguards will eliminate biases that may be deeply ingrained in the subconscious psyches of jurors. When doubts are raised, the better policy is to err on the side of caution and permit prejudices to be examined. Only then can we know with certainty whether they exist, and whether or not they should be set aside.

The real victory for the three Chinese accused in the case I just cited, and other members of the visible minority community on trial before them, comes from being the catalyst for the examination of racism within the Canadian justice system, and exposing the fear and vulnerability that minority groups may feel when they walk into court.

## ROUTINE PROCEEDINGS

### COMPETITION ACT

#### BILL TO AMEND—MESSAGE FROM COMMONS

**The Hon. the Speaker:** Honourable senators, I have the honour to inform the Senate that a message has been received from the House of Commons, which reads as follows:

Friday, February 5, 1999

**ORDERED** — That a Message be sent to the Senate to acquaint Their Honours that this House disagrees with the amendments made by the Senate to Bill C-20, An Act to amend the Competition Act and to make consequential and related amendments to other Acts, because this House is of the opinion that the intent and policy of the words in question is in the public interest and reflects the opinion of the great majority of Canadians, and this House proposes, in

lieu of the amendments made by the Senate, that the amendments be amended to read as follows:

1. Page 14, Clause 19: Delete lines 31 to 46 and substitute the following therefor:

66.1 (1) Any person who has reasonable grounds to believe that a person has committed or intends to commit an offence under the Act, may notify the Commissioner of the particulars of the matter and may request that his or her identity be kept confidential with respect to the notification.

(2) The Commissioner shall keep confidential the identity of a person who has notified the Commissioner under subsection (1) and to whom an assurance of confidentiality has been provided by any person who performs duties or functions in the administration or enforcement of this Act.

2. Page 15, Clause 19: Delete lines 1 to 42 and substitute the following therefor:

66.2 (1) No employer shall dismiss, suspend, demote, discipline, harass or otherwise disadvantage an employee, or deny an employee a benefit of employment, by reason that

(a) the employee, acting in good faith and on the basis of reasonable belief, has disclosed to the Commissioner that the employer or any other person has committed or intends to commit an offence under this Act;

(b) the employee, acting in good faith and on the basis of reasonable belief, has refused or stated an intention or refused to do anything that is an offence under this Act;

(c) the employee, acting in good faith and on the basis of reasonable belief, has done or stated an intention of doing anything that is required to be done in order that an offence not be committed under this Act; or

(d) the employer believes that the employee will do anything referred to in paragraph (a) or (c) or will refuse to do anything referred to in paragraph (b).

(2) Nothing in this section impairs any right of an employee either at law or under an employment contract or collective agreement.

(3) In this section, "employee" includes an independent contractor and "employer" has the corresponding meaning.

ATTEST:

ROBERT MARLEAU  
Clerk of the House of Commons

## COMPETITION ACT

[English]

BILL TO AMEND—NOTICE OF MOTION  
TO CONCUR WITH MESSAGE FROM COMMONS

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I give notice that tomorrow, Wednesday, February 10, 1999, I will move:

That the Senate concur in the amendments made by the House of Commons to its amendments to Bill C-20, to amend the Competition Act and to make consequential and related amendments to other Acts; and

That a Message be sent to the House of Commons to acquaint that House accordingly.

[Translation]

## ADJOURNMENT

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(h), I move:

That when the Senate adjourns today, it do stand adjourned until tomorrow, Wednesday, February 10, 1999 at 1:30 p.m.

**The Hon. the Speaker:** Is leave granted, honourable senators.

**Hon. Senators:** Agreed.

Motion agreed to.

[English]

PARLIAMENTARY DELEGATION  
TO MAURITANIA, TUNISIA AND SPAIN

REPORT TABLED

**The Hon. the Speaker:** Honourable senators, I have the honour to table the report of a visit of the parliamentary delegation from the Senate of Canada to Mauritania, Tunisia and Spain from April 5 to April 18, 1998.

[Translation]

## CHILD POVERTY IN CANADA

NOTICE OF INQUIRY

**Hon. Thérèse Lavoie-Rioux:** Honourable senators, I give notice that on Thursday next, February 11, 1999, I shall call the attention of the Senate to poverty in Canada, and in particular to child poverty, the international human rights pacts signed by Canada, the difficulty of making a transition from welfare to the labour market, and the impact on the poor of the welfare cuts that have been made across Canada. My hope in so doing is that our discussions will culminate in recommendations on ways to reduce poverty.

## HER MAJESTY QUEEN ELIZABETH II

CONGRATULATIONS ON FORTY-SEVENTH ANNIVERSARY  
OF ACCESSION TO THRONE—NOTICE OF INQUIRY

**Hon. Anne C. Cools:** Honourable senators, pursuant to rules 56(1) and (2) and 57(2), I give notice that on Thursday next, I shall call the attention of the Senate to:

The 47th anniversary of Her Majesty Queen Elizabeth II's accession to the throne on February 6, 1952, and also to the Commemoration Service of Her Accession held on February 7, 1999 at the Anglican Cathedral Church of St. James in Toronto, hosted by its Dean, the Very Reverend Douglas Stoute.

PAGES EXCHANGE PROGRAM  
WITH HOUSE OF COMMONS

**The Hon. the Speaker:** Honourable senators, I should like to introduce to you the pages from the House of Commons who are here on the Pages Exchange Program this week.

[Translation]

Marie-Noëlle Desrochers, from Lévis, Quebec, is enrolled in the University of Ottawa's Faculty of Social Sciences and is majoring in political science.

[English]

Eduardo Testa studying in the Faculty of Arts, at the University of Ottawa. Eduardo is majoring in political science, and is from Montreal, Quebec.

[Translation]

On behalf of all senators, I welcome you to the Senate and hope that you will enjoy the time you spend here.

[English]

## QUESTION PERIOD

## SOLICITOR GENERAL

COMMISSION OF INQUIRY INTO TREATMENT OF PROTESTORS  
AT APEC CONFERENCE BY RCMP—LETTER FROM COMMISSIONER  
REQUESTING FUNDING OF STUDENT LEGAL FEES—  
REQUEST FOR TABLING

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, my question is to the Leader of the Government in the Senate. The current head of the RCMP public complaints panel looking into the Vancouver APEC scandal has just recommended that the government provide funding to pay lawyers to represent the student complainants. It has been reported that the Honourable Ted Hughes wrote a letter to this effect to the government.



Will the Leader of the Government in the Senate be able to table that letter in this chamber?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I do have that letter with me but I have it only in one language. I would be happy to distribute it, but first I will have it translated so that it can be tabled in both official languages. If I can have it translated by tomorrow, I will do so.

**Senator Kinsella:** Honourable senators, I thank the Leader of the Government in the Senate for that. I suppose the next question to be asked, then, is: Will the government do the right thing this time, now that they are being given a second chance, and fund the lawyers for these complainants?

**An Hon. Senator:** No.

**Senator Graham:** Honourable senators, I would not want to prejudice, on behalf of my colleagues, the decision that will be taken. That matter is under consideration by the recipient of the letter, the Solicitor General, in association with my colleagues, and a response will be forthcoming in due course.

**Senator Kinsella:** Therefore the "no" that we heard is not the government's position but, rather, the position is as articulated by the leader?

•(1450)

**Senator Graham:** I am sorry, I did not quite hear what the honourable senator said.

**Senator Kinsella:** I thank you for your answer.

COMMISSION OF INQUIRY INTO TREATMENT OF PROTESTORS  
AT APEC CONFERENCE BY RCMP—COMMENTS OF COMMISSIONER  
ON INVOLVEMENT OF PRIME MINISTER'S OFFICE—  
GOVERNMENT POSITION

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** On December 21, 1998, at a nationally televised press conference, Shirley Heafey, the Chair of the RCMP Public Complaints Commission, stated that the matter of political interference was not part of her mandate, thus taking a position quite different from that taken by the government last fall when it indicated that the commission could look into wrongdoing by the PMO.

A day or so ago, the head of the new panel, the Honourable Ted Hughes, said he has the right to investigate whether or not there was improper conduct by the Prime Minister, and that he would make recommendations to Miss Heafey if he finds that there was political interference by the PMO or others in the RCMP operations.

Honourable senators, there is a contradiction here. On the one hand, the chairman of the commission says that this is not part of the mandate and she will not look into it, while on the other, we have the chair of the panel saying that he can look into it and, if he does, he will make recommendations to Ms Heafey.

In light of this contradiction, will the government fire Ms Heafey?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, no. The commission will soon consider the issue of who may be called to testify. Therefore, it would be inappropriate for me to comment further.

## FOREIGN AFFAIRS

DISPATCH OF PEACEKEEPING FORCES TO KOSOVO—  
FORMALITY OF DISCUSSIONS ON CANADA'S INVOLVEMENT—  
GOVERNMENT POSITION

**Hon. J. Michael Forrestall:** Honourable senators, I return to the question of Kosovo and the presence of Canadian troops in connection with any intervention that might be contemplated and approved by the appropriate process.

My question is directed to the Leader of the Government in the Senate. Has there been any progress as a result of the discussions in France? Whether there has been progress or not, has the minister raised with his colleagues in cabinet, in particular with the Minister of National Defence and the Government House Leader, the usefulness of a public discussion on the floor of the House of Commons and, perhaps following that, a further discussion in this chamber concerning the terms, conditions and all the usual questions that surround a matter such as sending Canadian men and women into dangerous areas?

At the same time, could he give us some indication as to what was meant yesterday in the House of Commons when ministers of the government said that, although there had been no formal request, certain work is taking place? Have we been informally asked, then? If so, by whom were we informally asked?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I seek clarification from Senator Forrestall. Is he referring to discussions now being chaired by France and Great Britain?

**Senator Forrestall:** Honourable senators, I did not mean to mislead the minister. The question was put most forcefully. It was: Have we been invited to make troops available for intervention in Kosovo? I am asking whether Canada has been informally asked to contribute troops, because the government has said that it has not been formally asked.

**Senator Graham:** Honourable senators, it is my understanding that there have been ongoing discussions. As a matter of course, there would be informal discussions between members of the Security Council, and Canada is not only a member of the Security Council but happens to be President during the month of February.

Last week, I indicated that formal discussions were to take place, and I am sorry if I got the date wrong by one day. These formal discussions, chaired by France and Great Britain, got underway on Saturday, February 6. There are two seven-day periods within which they hope to operate with respect to the relevant discussions. It will be after that that they will determine the course of action to be taken.

I wish to assure honourable senators that while there may not have been formal discussions, to use the words — presumably — of the Minister of National Defence, certainly there have been informal discussions. It would be inappropriate if we had not taken those preparatory steps to get ready for any eventuality.

**Senator Forrestall:** Honourable senators, I asked whether there had been any indication in any informal discussions of the form of the Canadian contribution. What sort of troops would they be seeking? Would they be support or combative troops? What has been suggested?

**Senator Graham:** Honourable senators, I am not aware specifically of the details. At the appropriate time, I will be happy to bring forward more information.

## CANADIAN RACE RELATIONS FOUNDATION

### EFFECT OF PROPOSED AMENDMENTS CONTAINED IN LEGISLATION—GOVERNMENT POSITION

**Hon. Donald H. Oliver:** Honourable senators, over the weekend I received a letter from the Honourable Lincoln Alexander, the former lieutenant governor of the Province of Ontario who is now chairman of the Canadian Race Relations Foundation. He was writing to me in relation to Bill C-44.

He stated:

As you know, the proposed amendments threaten the foundation's independence and arm's length status and would severely restrict its capacity to combat racism and racial discrimination.

On page 3 of the letter, he posed four questions which I should like to put to the Leader of the Government in the Senate. Although I realize I have not given the government leader a lot of advance notice, these are questions to which I would like to have specific answers.

First, why is the government proposing to apply Part X of the Financial Administration Act to a foundation which already faces strict accountability requirements and is supposed to act at arm's length from government?

Second, why is the government proposing to transform the foundation into little more than a research centre and information clearing house when this is not what was agreed upon with the Japanese Canadian community?

Third, why did the government not consult with the National Association of Japanese Canadians, or the foundation's board of directors, before introducing the proposed amendments in Bill C-44?

Fourth, why is the government introducing changes to the Canadian Race Relations Foundation during its developmental stage when section 27 of the current act states that the foundation shall not be reviewed for at least four years?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, that is a very good and detailed question. It

will require some research on my part to bring forward an appropriate answer.

In review, Bill C-44 is the Administrative Tribunals (Remedial and Disciplinary Measures) Bill. It has received only first reading in the other place. The Canadian government provided a \$24-million endowment to the Canadian Race Relations Foundation to foster racial harmony and cross-cultural understanding, and to help eliminate racism.

The government has not yet decided when this bill will proceed to second reading. I can assure the Honourable Senator Oliver, and all honourable senators, that the government has been working, and will continue to work with all parties who have an interest in the provisions of this particular bill.

As indicated, on earlier occasions I have brought the timely, forceful and intelligent representations made by Senator Oliver to the attention of my colleagues and, more specifically, the minister who is responsible for this legislation.

## FOREIGN RELATIONS

### FAILURE OF PRIME MINISTER TO ATTEND FUNERAL OF THE LATE KING HUSSEIN IN JORDAN—GOVERNMENT POSITION

**Hon. Terry Stratton:** Honourable senators, my question is directed to the Leader of the Government in the Senate. It goes without saying that the Prime Minister has clearly embarrassed Canada on the international stage by choosing to remain in British Columbia on a skiing trip rather than attend the funeral of the late King Hussein in Jordan.

•(1500)

His absence and whatever excuse he has to offer is only made more glaring by the list of those who did attend — President Clinton and three former presidents of the United States, an ailing Boris Yeltsin, and numerous other world leaders. It is difficult to imagine that the Prime Minister of Canada is sitting in Whistler, while the rest of the leaders of the world are attending the funeral. Did no one think of the optics, and of how this would reflect upon Canada and Canadians? I find it hard to comprehend that a prime minister, on a ski holiday, would not put plans in motion so that he could attend such an event, particularly when he could pick up the phone and find out who is attending from the United States and who is attending from the rest of the world. It is critical to respond.

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I do not think it would matter to the Prime Minister who was attending from the rest of the world. If he could have attended, he would have been there.

**Senator Kinsella:** Why was he not there? Who is in charge of scheduling?

**Senator Graham:** This Prime Minister is known as a person who will travel to any part of the country or the world if it is feasible to do so, when he considers it appropriate.

**Senator Lynch-Staunton:** Why did he not try?

**Senator Graham:** He would have been at the funeral if it had been at all physically possible.

**Senator Lynch-Staunton:** It was possible.

**Senator Graham:** He wanted to attend the funeral.

**Senator Oliver:** No, he wanted to ski.

**Senator Graham:** Members of the Prime Minister's staff had gone to Jordan to prepare in the event of King Hussein's death. They were already in Amman, making the necessary arrangements.

**Senator Lynch-Staunton:** Were they checking out the hotels?

**Senator Graham:** Unfortunately, there was less than 24 hours' notice, and the Prime Minister was on the other coast of our country.

**Senator Lynch-Staunton:** Everyone else knew.

**Senator Graham:** It was physically impossible to get him there on time for the funeral.

**Senator Lynch-Staunton:** Why did he not stay home and wait?

**Senator Stratton:** I have to question that, honourable senators, as being impossible. We all knew that such an event would take place.

**Senator Kinsella:** Every citizen of the world knew that.

**Senator Stratton:** Plans should have been in place, and probably were in place, to transport our Prime Minister over there. Such plans had to be in place. One does not do that without taking into consideration how long it takes to get there, because one knows that the event will take place momentarily.

How can the Leader of the Government possibly stand there and tell Canadians and honourable senators that it was impossible for the Prime Minister to get there on time when he knows darned well that it was?

**Senator Graham:** The Prime Minister, even under the best possible scenario, would have been more than an hour behind schedule for the arrival of the leaders at the palace in Amman.

To be fair, honourable senators, the Prime Minister has never hesitated to alter his schedule to attend extraordinary, important events. Just a few weeks ago, he cut short his Christmas break to attend the funeral of those buried under an avalanche in Quebec's far north. This Prime Minister will go anywhere, anytime, to attend events which are extraordinary. If members opposite were fair, they would recognize that it was physically impossible for him to get there on time for the funeral.

## CAPE BRETON DEVELOPMENT CORPORATION

ANNOUNCEMENT OF PRIVATIZATION OF PRINCE COLLIERY—  
TIMING FOR SALE AND TRANSFER OF LEASES ON  
PHALEN COLLIERY FROM PROVINCE OF NOVA SCOTIA—  
GOVERNMENT POSITION

**Hon. John Buchanan:** Honourable senators, my question is for the Leader of the Government in the Senate. Federal Minister Goodale, the Leader of the Government in the Senate, and Mr. Joe Shannon were present when the minister made three statements. The first was that Phalen colliery would be phased out over the next 18 to 24 months. Second, he announced an adjustment program for that period. Third, he announced that Prince colliery would be privatized and sold.

Many people, particularly those in Cape Breton, want to know the time line established by the government, if any, for the future sale of Phalen colliery, subject to the Province of Nova Scotia and the Government of Nova Scotia transferring the leases.

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators should know from what I have stated in the media and what I have stated in this chamber that it is anticipated that Phalen colliery will close sometime in the year 2000. Devco will continue to mine the coal in the wall known as 8 East. Once that coal is recovered, the government does not intend to carry on further mining operations in that particular colliery.

With respect to the sale of Phalen colliery, if an interested private sector buyer wanted to pursue the acquisition of that particular colliery, it would follow the normal course of events in terms of how a privatization process would be pursued. I do not know of any particular time line, but Minister Goodale has said that the privatization of Devco, or parts thereof, could take up to a year.

Remember, too, that barring any drastic, unforeseen circumstances, we are talking about carrying on mining operations at 8 East until the year 2000.

ANNOUNCEMENT OF PRIVATIZATION OF PRINCE COLLIERY—  
POSSIBLE UNDERTAKING OF GOVERNMENT TO CONTINUE  
TO OPERATE PRINCE COLLIERY—POSITION OF NOVA SCOTIA  
POWER CORPORATION—GOVERNMENT POSITION

**Hon. John Buchanan:** Honourable senators, if there is no privatization sale of Prince colliery over the next year, is it the intention of the government to ensure that there is no uncertainty about the future by announcing that the government will continue to operate Prince colliery until it is privatized, or if it is not privatized, that they will continue to operate Prince colliery, period?

**Hon. B. Alasdair Graham (Leader of the Government):** That would be a matter to be taken into consideration by Devco's board of directors and its management. I presume they would make a recommendation to the government in that respect.



**Senator Buchanan:** Honourable senators, I know that the minister appreciates this comment: There is no question that, as result of the announcements, Phalen will close. However, there is an uncertainty as to what happens to Prince. I think my honourable friend is aware of that uncertainty, particularly with respect to the miners, their families, and the thousands of others who rely on Prince colliery for their livelihood, but perhaps primarily with respect to the Nova Scotia Power Corporation, which is the market for the coal from Prince colliery.

The concern is that if there is continued uncertainty, Nova Scotia Power Corporation may determine that they do not want to live with that uncertainty for the five generating plants in Cape Breton, where coal is now supplied by Devco. That is the uncertainty and that is the concern many people have in Cape Breton and throughout Nova Scotia.

**Senator Graham:** I am sure the Honourable Senator Buchanan knows the people responsible for the operations of Nova Scotia Power. I presume they would take into consideration not only the plight of the area but the excellence of the miners and the superior skills they have in that area, and the quality of the coal that is available.

As a Nova Scotia entity, I am sure that Nova Scotia Power will be very cooperative in helping in every way possible to keep the operations at Prince colliery ongoing.

We are into a new phase. While the talk of privatization has been out in the public, the government has not been actively considering it. The Minister of Natural Resources was not given authorization to discuss privatization until the day before the announcement was made in Cape Breton. He is now taking steps and consulting widely as to the most appropriate means by which to carry out the privatization.

## FOREIGN RELATIONS

FAILURE OF PRIME MINISTER TO ATTEND FUNERAL  
OF THE LATE KING HUSSEIN IN JORDAN—  
LOGISTIC POSSIBILITY OF ATTENDANCE—GOVERNMENT POSITION

**Hon. Eric Arthur Berntson:** Honourable senators, my question to the Leader of the Government in the Senate deals with the people who handle the Prime Minister's logistics and who, I take it, have told him that it would be physically impossible to get the Prime Minister from Vancouver to Amman at the scheduled time of King Hussein's funeral.

The fact of the matter is that he could have left Vancouver on British Airways as late as 8:15 p.m. on Saturday and, through Heathrow, connected to Amman, arriving on time for the funeral.

Second, the Canadian military confirmed yesterday that it could have flown the Prime Minister from Vancouver to Amman before the scheduled time of the funeral. I am not suggesting it is deliberate, it could be in error, or perhaps someone just does not know how to deal with the logistics and movement of personnel, even though it is one person.

**Senator Di Nino:** The military must be mistaken. It cannot be the Prime Minister.

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, with the greatest respect, it would be presumptuous for the Prime Minister to leave Vancouver on British Airways on Saturday night for a funeral which had not yet been announced. His Majesty had not yet passed away.

**Senator Berntson:** The Governor General did not know that.

**Senator Graham:** I will deal with that in a moment, if you wish.

The opinion was offered not by a spokesperson for the Armed Forces but by an unidentified individual in the Armed Forces. Those who are responsible, and who have expertise in matters of this kind, have said definitively that it would have been physically impossible for the Prime Minister to get to Amman on time for the funeral.

**Senator Kinsella:** Why did he go to Vancouver?

## ORDERS OF THE DAY

### CANADA CUSTOMS AND REVENUE AGENCY BILL

SECOND READING—VOTE DEFERRED

On the Order:

Resuming debate on the motion of the Honourable Senator Carstairs, seconded by the Honourable Senator Pépin, for the second reading of Bill C-43, to establish the Canada Customs and Revenue Agency and to amend and repeal other Acts as a consequence.

**The Hon. the Speaker:** If no other honourable senator wishes to speak, I will proceed with the second reading motion.

It was moved by the Honourable Senator Carstairs, seconded by the Honourable Senator Pépin, that this bill be read the second time.

Is it your pleasure, honourable senators, to adopt the motion?

**Some Hon. Senators:** Yes.

**Some Hon. Senators:** No.

**The Hon. the Speaker:** Will those honourable senators in favour of the motion please say "yea"?

**Some Hon. Senators:** Yea.

**The Hon. the Speaker:** Will those honourable senators who are opposed to the motion please say "nay"?

**Some Hon. Senators:** Nay.

**The Hon. the Speaker:** In my opinion, the "yeas" have it.

*And two honourable senators having risen.*

**The Hon. the Speaker:** The whips have informed me that there is agreement to defer the vote until tomorrow at 3:00 p.m. The bells will ring for 15 minutes, beginning at 2:45 p.m.

[Translation]

## RAILWAY SAFETY ACT

### BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

**Hon. Marie-P. Poulin** moved the second reading of Bill C-58, to amend the Railway Safety Act and to make a consequential amendment to another act.

She said: Honourable senators, I am pleased today to speak at second reading of Bill C-58, to amend the Railway Safety Act and to make a consequential amendment to another act.

In 1989, the Ministry of Transport assumed responsibility for regulating and ensuring the safety of federally operated railways, which, until then, had come under the jurisdiction of the Canadian Transport Commission. The 1989 Railway Safety Act contained a provision to the effect that it be reviewed five years after it took effect.

The report on this five-year review, tabled in February 1995, confirmed the soundness of the principles underlying the legislation, but recommended a number of improvements.

The previous bill to amend the Railway Safety Act, Bill C-43, died on the Order Paper in April 1997, when Parliament was dissolved.

In September 1997, the Minister of Transport announced he was postponing introduction of the amendments to the Railway Safety Act following the derailment near Biggar, Saskatchewan. He asked his officials to give thought to other possible improvements to the bill and to whether Transport Canada could improve mechanisms for monitoring safety and the enforcement of regulations.

A railway safety task force, composed of experts in regulatory matters, risk management, and railway safety, was immediately set up. It consulted the railway industry and other stakeholders, with a view to recommending further improvements to railway safety.

Having examined the committee's report, the minister announced that he accepted the recommendations. He asked his officials to move quickly to implement those not requiring legislative amendments, such as improved rail safety procedures.

The bill to amend the Railway Safety Act was then tabled in the other House on November 5, 1998. Honourable senators, we are now going to study Bill C-58.

[English]

Today I am pleased to inform you, honourable senators, that the legislative changes proposed in this bill include a number of new provisions recommended by the Rail Safety Review

Committee, established following the Biggar accident in Saskatchewan. These new provisions will further enhance safety in Canada's rail industry.

I should like to emphasize, honourable senators, that the amendments to the Railway Safety Act were prepared following extensive consultation with the railway industry, railway unions, the Federation of Canadian Municipalities, the Canada Safety Council, Transport 2000, and provincial officials. Consultations were held as late as October of last year and enabled stakeholders to reach consensus on the intent of the proposed amendments in Bill C-58. The benefits of full consultation were amply demonstrated by our stakeholders' success in seeing their views integrated into the improved legislative package. As a result, they expressed their high level of comfort with the bill during recent hearings of the Standing Committee on Transport in the other place.

The proposed amendments establish a modernized safety regime that reflects the adoption of the lessons learned from the other modes of transport. They bring, first, a new policy which clarifies the objective of the act, as well as the roles and responsibilities of all parties relative to railway safety; second, authority to require railways to implement safety management systems; third, authority to require railways to report safety-critical information; fourth, a new safety compliance order targeted at safety management system deficiencies; fifth, increased authority for rail safety inspectors; and sixth, an improved consultative process.

This framework for the establishment of safety management systems and authority for Transport Canada to ensure that this requirement is met by the railway companies also responds to earlier recommendations made by the Transportation Safety Board with respect to more effective means of auditing railway safety. Effective consultation, honourable senators, is essential to the development of sound legislation and related safety activities.

At this time, I should like to reaffirm the minister's announcement of March 1998 on this subject: The Department of Transport is working towards the establishment of a permanent rail safety consultative committee comprised of rail safety stakeholders and departmental officials. The objectives of this committee will be to ensure that decision-making on rail safety issues benefits from full stakeholder involvement and input, and to develop a better understanding of issues and solutions. This committee will complement the improved consultative requirements contained in this bill.

[Translation]

Honourable senators, this bill includes another important element regarding the use of train whistles. As we know, the whistle is a security measure, which warns motorists and pedestrians of an approaching train. It can, unfortunately, also exasperate those living near the tracks. In response to a request by the association of municipalities, a new provision on banning the use of whistles will resolve a problem of concern to a number of people. This provision will allow municipalities to ban the use of whistles at road crossings by passing regulations, so long as certain safety standards are met.



Honourable senators, every year, a number of Canadians die at level crossings as the result of accidents or because they trespass on railway property. The department has established a program and implemented several initiatives in this regard. Bill C-58 contains provisions to increase safety at level crossings. One of the most important programs, Direction 2006, aims to reduce by 50 per cent the number of level crossing collisions and trespassing incidents by the year 2006.

[English]

Honourable senators, the proposed changes to the act support the achievement of this national program. It is a partnership with provincial and municipal governments, railway companies and their unions, law enforcement agencies and other safety organizations, with their increased commitment and ongoing support. The national goal will be achieved and public awareness increased.

Honourable senators, the government also faces ongoing challenges to reduce pollutants and improve the environment. This bill includes authority to make regulations restricting emissions from the operation of railway equipment. General powers are therefore provided to meet this objective. There is at present no such authority federally, and the proposed Canadian Environmental Protection Act excludes railway equipment. This proposed power will allow for a cleaner environment and will help Canada meet worldwide quotas for emissions.

The history of Bill C-58 is characterized by cooperation and consultation among concerned parties. Many witnesses who recently appeared before the standing committee on transport in the other place voiced their support of what they felt was a good piece of legislation. Numerous examples were cited of the cooperation between industry and labour to publicize the common goal of improving railway safety. Industry and labour both commended the process by which this legislation has been developed. In particular, they appreciated the opportunity to fully voice these concerns and to see these concerns being expressed in the proposed bill.

For example, a new section 26.2 has been incorporated in the bill at the request of stakeholders. This section states that railway equipment has the right of way at highway crossings. It may seem obvious that railway equipment has the right of way when one considers the mass of a train compared to a motor vehicle. However, setting this out in clear language may help Canadians realize that railway vehicles, unlike motor vehicles, require long distances to come to a stop. It is clear that the proposed legislative changes will enhance the ability of the railway safety system to give reasonable assurance of the continuing state of railway safety in Canada, and to contribute to sustainable transportation.

I believe that these and other measures proposed in this bill will benefit all Canadians greatly, through the continuous improvement of all elements of their railway system.

•(1530)

Honourable senators, I can assure you that Transport Canada considers railway safety to be of utmost importance. As noted by the Transportation Safety Board, Canada enjoys a commendable

rail safety record. To improve even on this record, departmental rail safety inspectors will continue to monitor railway companies' safety performance across Canada. The department will continue to take action to attend to any safety deficiencies that may arise in order to ensure that the safety of the Canadian transportation system is not compromised.

To conclude, Transport Canada's first priority is safety of the transportation system in Canada. I believe these amendments to the Railway Safety Act will strengthen the regulatory framework that governs safety in this critical mode of transportation. It will also provide the department with the means to ensure that Canada's railways will continue to improve their safety performance as we head into the 21st century.

On motion of Senator Kinsella, for Senator Forrestall debate adjourned.

[Translation]

## BILL TO CHANGE THE NAME OF THE ELECTORAL DISTRICT ARGENTEUIL—PAPINEAU

### THIRD READING

**Hon. Shirley Maheu** moved that Bill C-465, to change the name of the electoral district of Argenteuil—Papineau, be read the third time.

Motion agreed to and bill read third time and passed.

[English]

## PRIVILEGES, STANDING RULES AND ORDERS

### SEVENTH REPORT OF COMMITTEE ADOPTED

On the Order:

Resuming debate on the motion of the Honourable Senator Maheu, seconded by the Honourable Senator Ferretti Barth, for the adoption of the Seventh Report of the Standing Committee on Privileges, Standing Rules and Orders (*amendment to the Rules of the Senate*) presented in the Senate on December 9, 1998.—(*Honourable Senator Robertson*).

**Hon. Brenda M. Robertson:** Honourable senators, I want to speak briefly to this report which Senator Maheu brought in on Thursday. She has asked for the adoption of this report. The work reflected in this report was done last summer by a subcommittee of the Rules Committee, and it deals entirely with adequate translation. We have had a great deal of difficulty with the translation of certain rules. Senators Grimard, Joyal and Maheu worked very diligently trying to summarize the translation. Therefore, I support the motion to adopt this report.

**The Hon. the Speaker:** Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and report adopted.



## INCOME TAX ACT

INCREASE IN FOREIGN PROPERTY COMPONENT OF DEFERRED  
INCOME PLANS—MOTION PROPOSING AN AMENDMENT  
AS AMENDED—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Meighen, seconded by the Honourable Senator Kirby:

That the Senate urges the Government, in the February 1998 Budget, to propose an amendment to the *Income Tax Act* that would increase to 30% , by increments of 2% per year over a five-year period, the foreign property component of deferred income plans (pension plans, registered retirement savings plans and registered pension plans), as was done in the period between 1990 to 1995 when the foreign property limit of deferred income plans was increased from 10% to 20%, because:

(a) Canadians should be permitted to take advantage of potentially better investment returns in other markets, thereby increasing the value of their financial assets held for retirement, reducing the amount of income supplement that Canadians may need from government sources, and increasing government tax revenues from retirement income;

(b) Canadians should have more flexibility when investing their retirement savings, while reducing the risk of those investments through diversification;

(c) greater access to the world equity market would allow Canadians to participate in both higher growth economies and industry sectors;

(d) the current 20% limit has become artificial since both individuals with significant resources and pension plans with significant resources can by-pass the current limit through the use of, for example, strategic investment decisions and derivative products; and

(e) problems of liquidity for pension fund managers, who now find they must take substantial positions in a single company to meet the 80% Canadian holdings requirement, would be reduced.— (*Honourable Senator Eyton*).

**Hon. Michael A. Meighen:** Honourable senators, pursuant to rule 30, I seek leave of the Senate to amend the motion by deleting the words "in the February 1998 budget" which appear in the first paragraph.

**The Hon. the Speaker:** Is leave granted, honourable senators?

**Hon. Senators:** Agreed.

**Senator Meighen:** Honourable senators, the intent of the amendment is to render the motion, which has been adjourned in the name of Senator Eyton, time sensitive. While we are doing important things, time is passing quickly and we are now in the year 1999. Rather than tying the motion to a particular point in time, and by deleting those words, the motion will apply for all time.

**The Hon. the Speaker:** Is it your pleasure, honourable senators, to adopt the motion in amendment?

**Hon. Senators:** Agreed.

**The Hon. the Speaker:** Is it agreed that the motion as amended shall remain standing in the name of Honourable Senator Eyton?

**Hon. Senators:** Agreed.

## PRIVACY COMMISSIONER

ANNUAL REPORT—MOTION TO REFER  
TO COMMITTEE OF THE WHOLE—ORDER STANDS

On the Order:

Resuming debate on the motion of the Honourable Senator Kinsella, seconded by the Honourable Senator Gustafson:

That the Report of the Privacy Commissioner for the period ended March 31, 1998, tabled in the Senate on Tuesday, September 29, 1998, be referred to a Committee of the Whole for the purpose of hearing witnesses and making a report; and

That the committee report no later than February 15, 1999.—(*Honourable Senator Carstairs*).

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, Order No. 1 provides that the Senate in Committee of the Whole consider the report of the Privacy Commissioner. There is information available to the effect that the Privacy Commissioner will be appearing before Committee of the Whole next week. Perhaps the Deputy Leader of the Government could expand on that.

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I can confirm that the Privacy Commissioner will appear before Committee of the Whole on Thursday next, February 18, 1999, for the purposes of discussing the report of the Privacy Commissioner.

**Senator Kinsella:** At what time will that be?

**Senator Carstairs:** I think we have agreed to three o'clock, but I will confirm that later, Senator Kinsella.

Order stands.

**CAPE BRETON DEVELOPMENT CORPORATION****MOTION FOR PRODUCTION OF DOCUMENTS RELEVANT  
TO PROPOSED PRIVATIZATION—ORDER STANDS**

**Hon. Lowell Murray**, pursuant to notice of February 3, 1998, moved:

That there be laid before this House all documents and records concerning the possible privatization of DEVCO, including:

(a) studies, analyses, reports and other policy initiatives prepared by or for the government;

(b) documents and records that disclose all consultants who have worked on the subject and the terms of reference of the contract for each, its value and whether or not it was tendered;

(c) briefing materials for ministers, their officials, advisors, consultants and others;

(d) minutes of departmental, inter-departmental and other meetings; and

(e) exchanges between the Department of Natural Resources, the Department of Finance, the Treasury Board, the Privy Council Office and the Office of the Leader of the Government in the Senate.

**Hon. Lowell Murray:** Honourable senators, may I ask the Deputy Leader of the Government whether she has any instructions with regard to this motion? Does the government have any objection to this motion? If not, is it prepared to let it pass?

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I understand that there are no objections to this particular motion but that it will take some time for the documents to be prepared. If the honourable senator speaks to his motion today, I have been asked to adjourn the debate in the name of Senator Graham with the understanding that he will report back within the week.

**Senator Murray:** Honourable senators, I can speak to it but, with your indulgence, I will stand the matter for another day and speak to it before the end of the week. However, just so we understand each other, the sequence of events is that once the motion passes, the government will produce the goods?

**Senator Carstairs:** Honourable senators, I know that Senator Graham wishes to produce the documents as soon as possible after the motion is passed. That is his request for a week's delay.

Order stands.

The Senate adjourned until Wednesday, February 10, 1999, at 1:30 p.m.

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OFFICIAL REPORT  
(HANSARD)

Wednesday, February 10, 1999

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THE HONOURABLE GILDAS L. MOLGAT  
SPEAKER



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(Daily index of proceedings appears at back of this issue.)

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## THE SENATE

Wednesday, February 10, 1999

The Senate met at 1:30 p.m., the Speaker in the Chair.

Prayers.

### THE HONOURABLE MARCEL PRUD'HOMME, P.C.

FELICITATIONS ON THIRTY-FIFTH ANNIVERSARY IN PARLIAMENT

**Hon. Orville H. Phillips:** Honourable senators, today is a very special day in the life of one of our distinguished colleagues. On February 10, 1964, the Honourable Senator Prud'homme was first elected to the House of Commons in a by-election for the riding of Saint-Denis. He obviously enjoys the party that follows an election victory, because he went on to celebrate eight of those and eventually became dean of the House of Commons. He was sworn to the Privy Council on July 1, 1992, by Her Majesty Queen Elizabeth II on the 125th anniversary of the founding of Canada, and he was summoned to the Senate on May 26, 1993 by the Right Honourable Brian Mulroney.

Senator Prud'homme's election in a by-election came about due to the fact that the Honourable Azellus Denis was appointed to this chamber by Lester B. Pearson. Senator Denis sat in the House of Commons for 28 years and almost 28 years in the Senate.

Honourable senators, we can now throw out a challenge to our colleague, namely, that he run again for the House of Commons — I think the election year would be around 2009 or 2008. If he were then to serve in the House of Commons again for 11 years, he would equal the record of Senator Denis.

Senator Prud'homme is a lawyer by profession. Consequently, you have noticed that he is hesitant, and often unwilling, to speak on a number of subjects.

Recently, speaking in this chamber, he referred to the fact that he had been elected chairman of the Liberal caucus by secret ballot on several occasions and he added that he did not understand why. After making inquiries of his colleagues on the other side I believe I can enlighten him in this regard. They told me that the chairman of the caucus does not get to speak very often or for very long.

**Hon. Senators:** Hear, hear!

**Senator Phillips:** Senator Prud'homme has always taken a keen interest in foreign affairs — especially those related to the Middle East. Although we sometimes held divergent views about certain countries, I have always respected one viewpoint that Senator Prud'homme emphasized, and that is his opinion that:

"You cannot change a country by isolating it." I agree with that statement wholeheartedly.

I am sure honourable senators wish to join me in congratulating him and wishing him a return to the House of Commons after he has served the appropriate number of years here so that he can equal the record of Senator Denis. Congratulations, Senator Prud'homme!

**Hon. Senators:** Hear, hear!

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, when I first met the Honourable Senator Marcel Prud'homme, Privy Councillor, I was a fledgling assistant to the then minister Allan J. MacEachen. That was back in 1964. I followed the career of this shy, bashful, reticent, member of the House of Commons from Saint-Denis in considerable awe because he was never lost for words.

Senator Prud'homme was, and is, very articulate. His greatest passion is for Canada. He has travelled this country and every district in the country on frequent occasions and, in the process, has educated the people, and the young people in particular, about what it is to be Canadian and about what it means to live in Canada and particularly Quebec. He has always talked about the importance of maintaining respect for the individual.

Senator Phillips has mentioned Senator Prud'homme's interest in international affairs. He is one of the most informed members of Parliament — and, I use that term as it should be properly used, informed member of both houses — on matters which are of special interest in the Middle East, as evidenced by the eloquent tribute he paid to the late King Hussein only yesterday.

In 1975, when I ran for the presidency of the Liberal Party of Canada, to succeed the current Honourable Speaker who happens to be in the Chair, I was encouraged by my friend Marcel Prud'homme.

**Senator Lynch-Staunton:** Was it a secret ballot?

**Senator Graham:** It was not a secret ballot. It demonstrates Marcel Prud'homme's understanding, compassion and willingness to help those less able to get a leg up in life, as it were, and to advance a political or whatever cause dear to his heart.

I support what Senator Phillips has said, and I join with all honourable senators in paying tribute to a most remarkable parliamentarian of independent spirit. He is someone who, when called upon to support those causes which are of most importance to Canada, is ready to stand up and be counted.



[Translation]

**Hon. Léonce Mercier:** Honourable senators, I knew that our friend Marcel would be celebrating 35 years of political life today. Everything Senator Phillips has said is true. This is a man who has given a great deal. I have been closer to him than all of you.

In 1964, when we were preparing for Jean Lesage's leadership race, we were having trouble finding someone in Montreal to stir up our troops. At that time, there were René Hamel, Paul Gérin-Lajoie and Jean Lesage in the leadership race. Jean-Noël Richard, then director or assistant director of the Liberal Party of Canada in Montreal, told me: "There's a young up-and-comer, a man of action. His name is Prud'homme and he knows how to stir things up. If you could sell him on the idea, he would be a good delegate for Mr. Lesage." At that time, I did not know him.

A few days before the convention, he arrived in Quebec City, which he had never visited. A Montrealer who did not know Quebec City! I wondered what sort of delegate he would turn out to be, but he was the best one I had. Jean Lesage got a record number of delegates from Montreal.

After that, he became an MP in 1964. Voters in the riding of Saint-Denis elected him with majorities of 10,000, 12,000, 15,000 and more. In 1979, he had the highest Liberal majority in Canada, a record majority of some 9,000 votes, while the rest of us Liberals did not fare so well across Canada.

He went on to become president of the caucus, and thus *ex officio* member of the Liberal Party executive, as well as a member of the electoral board. Those three positions gave him three votes. I arrived in the Liberal Party of Canada in 1978 as its director.

A few members of the executive were upset, because they would have liked my job. Marcel told me to leave it to him and he would sort things out. He and I put together a team of young people. The evening of the convention, everyone wanted to nominate someone right away. Marcel wanted to have two young people submit my name. Everyone was stunned, but he charged right in and said they wanted a \$45,000 a year contract for me, for three years. He got the signatures right away. That was how I came to work for the Liberal Party of Canada.

To my great regret, when I saw Mr. Trudeau, I said to him "This is crazy, appoint Marcel minister." He replied "He is not interested. Every time I ask him, he turns me down." We know why that was, he wanted a monument. So Marcel said to me "Tell him I am not interested." Trudeau said "Léon, I won't take no for an answer, because I've never been turned down before and I won't stand for it."

It was the same when they wanted to offer him a Senate appointment. He turned them down. One day, he must have had a change of heart, and a good thing, because here he is.

I thought about you today, Marcel. I met Prime Minister Jean Chrétien. I am going to read you a message from him:

Marcel, congratulations on the occasion of the 35th anniversary of your parliamentary life. I wish you many more years as a senator. We both started out at almost the same time. Bravo!

Thank you, Marcel. Hang on to your sense of humour, keep up the wonderful work, and do not forget to vote.

**Hon. Lise Bacon:** Honourable senators, like Senator Prud'homme, I will try to be very brief. I have known Marcel for over 40 years. We have had the pleasure of working together in various political activities. Today, I wish to pay tribute to his great generosity, because to have lasted 35 years in the parliamentary arena takes generosity, follow-through and great independence of spirit, which he still has today.

I also wish to mention his desire to serve others, one of the great qualities inherited from his father, Dr. Prud'homme, whom I had the pleasure of meeting. I want him to know how pleased I am to be here with him, to see him still stirring things up, because that is something we need from time to time. I want to tell him to keep on working hard for the causes he has always defended.

There are not enough pot-stirrers in this world; we need many more. As we move into the next millennium, and I am sure Marcel is going to be in the Senate a long time yet, there will be plenty of changes in our lives, our thoughts and our actions. Marcel is just the man to keep us on our toes in the new millennium.

I should also like to speak of the fact that he stands by his friends no matter what. We have tried to remain friends despite the ups and downs of political life. I wish Marcel, if not another 35 years here, at least a good number more, and the good health to keep on shaking things up here for many years to come.

**Hon. Thérèse Lavoie-Roux:** Honourable senators, had I known that this was such an important anniversary today, I would have prepared. However, I would be remiss if I did not say a few words to acknowledge all the attributes of our colleague, Marcel Prud'homme, and especially to recall that our respective ridings overlap to some extent: Acadia for Quebec, and Saint-Denis at the federal level.

I must say that he has guided me on a number of occasions, especially in the Italian community. In August, in our respective ridings, we have the Santa Anna festival. Should you be in Montreal, it is certainly worth your while to attend this event. Marcel issued my first invitation. In 1980, during the referendum, we travelled by bus together to visit the ridings.

Marcel is an old friend. I am pleased to join with all of you who have honoured his many fine qualities. I support their comments. Above all, I wish him good health. Take good care of yourself, otherwise you may regret it. I wish you many more years in the Senate, Marcel. Thank you for your friendship.

**Hon. Marcel Prud'homme:** Honourable senators, I am the twelfth child in my family and my father always taught us that major holidays were like any other day and no excuse not to work. Believe it or not, I shall be brief because we have work to do.

I am very moved by these tributes, which may be a little risky as they remind me of the praise we heaped on Mr. Trudeau the first time he resigned. Members of the House of Commons, who were expecting him to retire, were vying with each other to laud the former prime minister. Unfortunately for many, he came back. Therefore I wonder if, in such circumstances, it might not be better for me to keep quiet so that these words, bearing the mark of great friendship, are the last ones I hear.

[English]

I thank Senator Phillips, our senior senator, our dean, for starting the ball rolling today. He has been in the Senate for 36 continuous years.

I have travelled with Senator Phillips and, as any of you who have travelled with him will agree, being with him in another country turns an ordinary journey into a great expedition. I was with him in London and in South Asia. In London, he knew every monument, every church — not that we frequented them often — and he was very knowledgeable about the history of Great Britain. I learned from him, and I am richer for it. I thank him for his kindness.

• (1400)

One of my best days was when I was sworn in as a member of the Privy Council. It is very unusual for a French Canadian to be sworn in by our gracious Queen. I often tease some ministers by reminding them that they were sworn in as Privy Counsellors by the Governor General but I had the privilege and honour of being sworn in by the Queen. As you know, I am and will always be a royalist until Canadians decide otherwise.

[Translation]

I want to thank all those who have been kind enough to relate all these truths. Senator Graham spoke of a time when there was another great champion, Keith Davey, who wanted to run for party president. I had decided Mr. Trudeau had to be protected from himself and offered my support for Senator Graham, who, incidentally, was elected with a very large majority, so Mr. Davey decided not to run.

I thank my longtime friend, Léonce Mercier. Having worked with him in the party, I feel rather sad today on this side of the chamber. I look at Léonce and I am rather torn, so I think that I will remain quietly in my corner for a while yet.

Thérèse Lavoie-Roux spoke of the festival of Santa Anna.

[English]

Santa Anna is a great celebration in the Italian community. For 30 years I have made sure that I do not miss it. The procession is

in August, right in the middle of the summer. The Greek celebration of Assumption Day, which even the Greek leadership no longer attends, I have attended for 35 years in a row. That is also celebrated in the middle of the summer.

I started something on one occasion when I had my pocket full of little Canadian flags. I kept giving out these flags and, over the years it became a custom that people would line up after the holy procession, with their hands out, expecting a flag. I have never missed that since I started it, and now I need thousands of little pins. That shows my devotion to the Canadian flag.

Everyone is talking about all kinds of silliness in the House of Commons and about the future of Canada.

[Translation]

I am a French Canadian from Quebec. I am Catholic and I want to stay the way I am.

[English]

That is what is the best about Canada, as long as people understand that people wish to be themselves in Winnipeg, Manitoba, or in Foam Lake, Saskatchewan. I could name every little place in Canada. People wish to be themselves under the Canadian flag. If that understanding is not there, Canada will cease to exist or will be in trouble. We must understand that.

We also must wonder what the people of the world are thinking when they look at Canada; how we can manage when we have all these religions, when we have all these new people. In 10 years my district changed completely. Still, we manage. At one time there were only French Canadian Catholic churches. Now we have synagogues, we have many mosques, I have a Buddhist temple within walking distance of my home in Montreal.

[Translation]

Your Honour, thank you for your continued friendship. We have so often travelled together. My thanks to those who have been kind enough to say a few words. I will do my best to live up to them. Senator Bacon's words moved me, because it was indeed from my father and my family that I learned friendships were sacred. We may not share the same opinions.

[English]

On certain subjects, we can think otherwise, as I have done in the past, and as I probably will in the future.

[Translation]

However, once the discussion is over, it is important to leave it behind and not throw out longstanding friendships because of differing opinions. That is what I learned.

It is amazing how quickly 35 years have gone by. I feel truly honoured to see all my colleagues. I think I know at least 95 per cent of them.

[English]

I even campaigned for Mr. Nick Taylor in Alberta such a long time ago. I discovered so much in the Senate, especially when I was given the honour of sitting on the subcommittee on Veterans Affairs. I am very concerned about the future, as is Senator Johnstone, and the chairman, Senator Phillips. It was quite an experience. Senator Chalifoux is a new addition.

I have just a bit of gossip. Once, while I was talking with Senator Chalifoux about the situation of the Métis, she received a call from Mr. Coderre, who is a young, new Quebec caucus member, and she told him she was here with Marcel. Mr. Coderre said to give him lots of needed affection.

[Translation]

I am touched. I said I would not speak for long.

[English]

I apologize to Senator Keon, who is the man who probably takes care of us the most. He is the last man and he knows how important he is to us, so I do not wish to be in his bad books in case, and the case will probably arise.

[Translation]

Honourable senators, thank you for helping to celebrate. Unfortunately, some members of my family are unwell so they could not be here today. Oddly enough, I do not feel at all emotional. I am pleased to see that all these people, who are good friends, have been so kind. I will return your kindness many times over. As Senator Bacon said, I always give more than I take.

I know that there will soon be changes to the *Rules of the Senate* and that certain independent senators will be allowed to sit on some of the committees.

[English]

The ex-chairperson of the World Council of Churches, and my friend Mr. Roche and my friend Madam Wilson, will be able at long last to sit on committees to give more to Canada, to give more to the Senate. I believe the Senate has a duty, the Senate can save Canada if we work harder, if we give to each other, respect each other and love each other.

## SENATORS' STATEMENTS

### ATOMIC ENERGY OF CANADA

#### SAFETY OF NUCLEAR TECHNOLOGY AND DISPOSAL OF WASTE

**Hon. Lois M. Wilson:** Yesterday, in the other place, the following question was posed to the Minister of International Trade:

In December, the Standing Committee on Foreign Affairs and International Trade released a report recommending, and I quote: "That the Parliament of Canada conduct a separate and in-depth study on the domestic use, and foreign export of, Canada's civilian nuclear technology."

Why is the Minister for International Trade delaying a moratorium on the export of CANDU reactors until all the dangers involved in the use of this reactor are known?

Generally speaking, the management of nuclear fuel waste is recognized to be part of CANDU technology, and I speak to this subject because I sat on the Seaborn federal review panel on waste management for eight years.

The Honourable Sergio Marchi responded by saying:

...Candu reactor technology is a leading technology not only that we wish to export...we also have the faith of using it here in Canada.

...It is not only safe, but it is affordable and certainly superior to any other existing technology.

The December, 1998 response of the federal government to the Seaborn review panel's recommendations was to accept most of the panel's recommendations. However, on one critical point some confusion remains.

The panel found that the nuclear waste disposal concept developed by AECL to be technically safe but it did not have broad public support.

There is at least agreement that the concept lacks broad public support.

I wish to say publicly that the government's response to the panel's findings do not reflect the nuances we wrote into that report. We did not say simply that the concept was technically safe. Our carefully crafted words reflected a more sophisticated approach that highlighted the fact that there is a point of view that believes the concept is not safe, and this is the important part of what I am saying.

The panel report stated:

Safety must be viewed from two complementary perspectives, technical and social. From a technical perspective, safety of the AECL concept has been, on balance, adequately demonstrated for a conceptual stage of development but from a social perspective it has not.

In other words, the panel broadened the meaning of safety beyond the traditional meaning of technical safety and emphasized the experience and historical memory of people in assessing the concept from a social safety perspective.

As we develop new technologies, especially those that are risky and not yet demonstrated, it is very important that we assess that technology with respect to our deepest values as well as the historical safety records of all components.



This is an important point because it indicates the panel was not prepared to say, *carte blanche*, that the safety of the disposal concept has been demonstrated and all that is needed is public support.

There was also a companion phrase emphasizing that safety of the concept had not been demonstrated from a social perspective. What this means is that the panel recognized the deep division among Canadians in the assessment perception of the safety of the concept of deep nuclear waste disposal in Canada, even after 20 years of research. We stated that as clearly as we could in our report. Many scientific caveats were also expressed.

It is disturbing, then, to find that strong message diluted in the December press release from Natural Resources Canada and to have the Minister of International Trade echo it on February 9, 1999 by stating that CANDU technology is safe. It is like a circle game where you whisper something in your neighbour's ear and she whispers it to the next person. By the time you get to the end of the circle, the message is distorted.

I raise the matter at this particular time because plans are afoot to sell and export to Romania a second CANDU reactor. While it is true that nuclear power is clean as opposed to coal which is dirty, there are still questions around the disposal of toxic nuclear fuel waste.

Is it not highly irresponsible to proceed with exporting such technology when the waste products from the use of that technology cannot be disposed of safely at this point in history? Should we be exporting reactors when there is no known or demonstrated safe way of disposing of this nuclear waste by any country in the world? Minister Goodale has said that there will be no concessions made on safety or transparency. I trust he will be as good as his word.

## HUMAN RIGHTS

### AFGHANISTAN—PLIGHT OF GIRLS AND WOMEN

**Hon. Vivienne Poy:** Honourable senators, I rise today to draw attention to the desperate plight of women in Afghanistan.

Since 1996, a radical Islamic group has held power in that country. The Taliban regime has instituted a systematic campaign to erase the identity of women. Their freedom, dignity and physical well-being have been obliterated.

Women are being marginalized. They cannot leave their homes without a male relative. Windows in their homes are painted so that outsiders cannot see them. Other than as health care workers, women are not allowed to work. Professionals have been forced to abandon their jobs as teachers, writers, artists and professors. Schools for girls have been closed. No hospital will admit a woman and no male doctor may treat a female patient. The sick are being left to languish in facilities that have no running water, medicine or electricity. Foreign aid agencies are forbidden to offer services directly to women.

The law does not protect Afghan women. The Taliban's young and often illiterate enforcers are a law unto themselves. Men hold the power of life and death over female relatives. A raging mob can stone or beat a woman to death for exposing an arm or

failing to cover her eyes in public. For some women, the only escape is suicide. Depression among women forced to stay in their homes has reached epidemic proportions. Those in the few medical facilities that exist lie motionless on their beds, wrapped in their burqas, unwilling to speak or eat.

The treatment of Afghan women cannot be written off as a "cultural difference." Even among the fundamentalist regimes, the Taliban leaders are extremists. In the past, Afghan women enjoyed relative freedom. Seventy per cent of the country's teachers and 40 per cent of the doctors were women. Women were to be found at the top levels of Afghanistan's civil service.

Honourable senators, I know that the Canadian government is deeply troubled by the situation in Afghanistan. We have not had diplomatic ties with the country since 1979. This limits our direct influence, and we must find other ways to register our protest. Canada has been working hard through international organizations to force an end to the violation of women's rights in Afghanistan.

In March of last year, Canada sponsored the first UN resolution on the situation of Afghan women and girls. In December, Canada sponsored a second resolution brought forth by Germany in the UN General Assembly.

We must continue to protest this appalling situation. As Canadians, we maintain that universal human rights must transcend culture. The relentless attack of one segment of humanity against another is an affront to human dignity. Equality and human decency is a right, whether in Canada or Afghanistan.

Honourable senators, let us work together toward ensuring continued pressure is brought to bear to restore the rights of the women of Afghanistan.

## HEALTH

### HEART DISEASE—LAUNCH OF RISK MANAGEMENT AND PATIENT EDUCATION KIT

**Hon. Wilbert J. Keon:** Honourable senators, earlier this week I had the great pleasure of participating with Health Minister Rock in the launch of the Healthy Heart Kit. A risk-management and patient-education program based on the latest scientific evidence designed to help doctors and their patients work together to prevent and fight heart disease.

As you know, cardiovascular disease and stroke are the leading cause of death in Canada, accounting for 37 per cent of all deaths. The direct and indirect costs associated with cardiovascular disease is about \$21 billion a year.

Six major risk factors have been identified and proven to increase the chances of developing heart disease or stroke. These are now well identified and are preventable to a large degree.

The Healthy Heart Kit provides a bridge between what we know about these risk factors and our approach to changing behaviours that are associated with them. By giving family physicians the tools they need to work with their patients on managing these risk factors and, in effect, controlling them before they become a serious problem, we are now one step ahead of this costly and seriously debilitating affliction.

The launching of this information package was only made possible through the dedication and strong partnership between the private, voluntary, public health and NGO sectors.

Over the past five years, Health Canada has invested \$750,000 in the development, evaluation and production of this kit, alongside with the progressive efforts of the Heart and Stroke Foundation of Canada and the Canadian Cardiovascular Society.

It is my strong belief that the Healthy Heart Kit is a prime example of how partnerships, disease prevention and health promotion can form an integrated approach to health care, a step towards maintaining and improving the health of Canadians.

It is through proactive action such as theirs, that we will win the fight against heart disease. It is also very gratifying to see those government and non-government organizations working so harmoniously and synergistically for the better health of all.

[Translation]

#### PARLIAMENTARY GROUP OF FRIENDS OF UNESCO

**Hon. Rose-Marie Losier-Cool:** Honourable senators, last September, 75 Canadian parliamentarians from all the political parties represented in both Houses set up the Parliamentary Group of Friends of UNESCO. The main objectives of this new parliamentary friendship group are to provide its members with more information on UNESCO programs throughout the world, particularly those that relate to North American realities, and to support Canada's participation in UNESCO, which includes taking part in the activities of the Canadian Commission for UNESCO. On this occasion, a number of groups of parliamentary friends of UNESCO were formed in countries throughout the world, including Argentina, Gabon, the Russian Federation, Israel, Japan, Thailand and Venezuela.

It was in London, in 1942, that representatives of the Allied powers started the series of meetings which eventually lead to the creation of UNESCO. The main objective of UNESCO is to contribute to peace and security in the world by promoting international cooperation among nations and to further universal respect for justice and for the human rights and fundamental freedoms which are affirmed for the peoples of the world, without distinction of race, sex, language or religion, by the Charter of the United Nations. UNESCO fulfils its mandate through international intellectual cooperation. This overall objective of promoting peace and prosperity is promoted by creating and reinforcing educational, science and cultural relations.

[English]

As of August 1995, UNESCO had 184 members, 177 of which had created national commissions, bringing together representatives of their educational, scientific and cultural communities. More than 1,200 NGOs cooperate with UNESCO.

[Translation]

As one of the two Senate vice-chairs of this parliamentary group, I am pleased to see how much interest this UNESCO contact group has generated among members of both Houses of Parliament and all political parties.

[English]

#### NEW BRUNSWICK

##### YOUTH UNEMPLOYMENT AND DEBT LOAD OF GRADUATING STUDENTS

**Hon. Brenda M. Robertson:** Honourable senators, the latest report on domestic job growth is good news. The creation of 44,000 jobs in January for young people is great for the youth in those jobs, and it is encouraging for the economy overall. However, as we all know, job statistics usually do not tell the complete story.

A headline in a recent edition of *The Ottawa Citizen* caught my eye. In fact, it practically jumped off the front page of the newspaper. The headline read, "Hard Times in the Land of Plenty!" It is a refrain that could be applied to many younger Canadians, particularly younger people living in my own province of New Brunswick.

Historically, younger New Brunswickers have had a tougher time finding work than others in the labour force. For example, youth unemployment in New Brunswick is consistently higher than the unemployment rate for workers over the age of 25. Even though, in my province, youth employment, unemployment and participation rates are all at the best levels we have seen in the past 20 years, we must not lose sight of the larger picture. Youth are not fully participating in Canada's stronger economic performance.

Not losing sight of the larger picture means looking beyond jobs created in a growing economy. For example, average earnings for youth are declining, and although the average earnings for all groups have decreased between 1990 and 1995, the earnings for youth have experienced the largest decrease. Average earnings for youth are below \$10,000, and the percentage of youth earning less than \$10,000 has also increased.

Honourable senators, this can be explained, in part because more young people in New Brunswick are pursuing post-secondary education and are staying in school longer. Fewer youth are working year round and more are working part time. In fact, non-permanent jobs are the norm for all paid workers under the age of 25.

Honourable senators, implicit in the good news that New Brunswick youth are increasingly investing in education and training is the bad news that the debt load that they are forced to carry is increasing to almost staggering levels. According to several studies, a \$25,000 debt load is the threshold beyond which students will be unable to keep up with repayment schedules. The Maritime Provinces Higher Education Commission estimates that graduates will surpass this debt load



during the current school year. Even more startling, the commission projects that New Brunswick graduates will incur debt loads of over \$38,000 by the year 2005, which is just six years away.

Therefore, I wish to draw the attention of honourable senators to the fact that our young people are in a no-win situation right now. They need an education to get a job, but can the job pay for the education? For younger New Brunswickers, high tuition costs, staggering personal debt and a bleak job situation is a reality. The Millennium Scholarship Fund will help 100,000 lucky students out of 1.5 million enrolled in post-secondary education, and I commend the government for that action. However, we must make education more affordable.

Honourable senators, perhaps the time has come during this time of relative prosperity to have a serious debate about the implications of a freeze on tuition fees in this country. Should we fail to seize the opportunity to tackle the issue of student debt now, that ominous headline, "Hard Times in the Land of Plenty!" would be no more fitting than in reference to our post-secondary education students.

## HEALTH

### FOOD AND DRUG REGULATIONS— POSSIBLE INCREASE IN CAFFEINE AS FOOD ADDITIVE

**Hon. Mira Spivak:** Honourable senators, the subject I wish to briefly speak about has been raised here by my colleague Senator Raynell Andreychuk. Nevertheless, the Director of the Bureau of Food Regulatory International Interagency Affairs, Health Canada, is proposing to allow soft drink makers to add caffeine — a psychoactive, addictive drug — to fruit-flavoured drinks bought for and by children.

Once the department's proposed amendment to the Food and Drugs Act regulations is in place, Pepsi will add caffeine to Mountain Dew, and once that law is changed, other companies will follow suit. For good reason, this change is opposed by the Canadian Institute of Child Health, the Centre for Science and the Public Interest, and others. The adverse side effects of high caffeine consumption on adults are well known.

As for children, a study published last summer found that young people who consume caffeine perform poorly on tests after caffeine is withdrawn. The children received small amounts — less than what is found in three cans of the type of Mountain Dew sold in the U.S. where caffeine is added. However, that is only part of the picture. Children who get hooked on the kick of caffeine drink less milk. They also rely on sugar in soft drinks, instead of eating fruits or other foods that their growing bodies need. In Canada, we are already drinking 25 per cent more soft drinks than milk.

Honourable senators, why would Health Canada want to allow an addictive drug to be added to more soft drinks? The benefits cited in *The Canada Gazette* go to Pepsi, the company that says

it wants to "enhance the flavour" of Mountain Dew by adding caffeine, which is, in fact, bitter tasting. Pepsi wants to "standardize" the Mountain Dew formula in the U.S. and Canada. Health Canada says that harmonizing our regulations with the U.S. is a benefit of this proposal. Many health advocates strongly disagree.

Honourable senators, the previous government set out its policy on food additives, which, among other things, said the advantage to consumers must be shown before any substance is added to food. That policy also required Health Canada to do a safety evaluation before approving any additive. That evaluation required an estimate of the probable daily intake of the additive among the Canadian population. It is my understanding that none of that was done with the health impact in mind before the Director General of Health Canada's Food Directorate published the proposed amendment. Instead, the Food Rulings Committee he chaired heard only the argument that caffeine intake among Canadians would not increase if people, including children, choose to switch from colas or coffee and tea to the new caffeine-added soft drinks. There was no research — in fact nothing — to back up this claim. Committee members who said that public health must be considered were overruled. They were overruled by others who held the opinion that consumer choice and commercial interests and trade matters are paramount.

On the face of it, the director general's decision is another example of public health being forced to take a back seat to the drive to harmonize Canada's regulations with the U.S., even when harmonization means lowering our standards. That is the crux of the problem. Whether it is caffeine in soft drinks, or bovine growth hormone, we must demand that our public officials follow policies that have given Canada a high standard of food safety.

The parallels with rBST are striking. The food directorate is approving a product that has no proven benefit, that may be very harmful without the proper impact assessment. We need to reinforce the fact that the public is the client here, and that the law should be followed.

## ROUTINE PROCEEDINGS

### SOLICITOR GENERAL

#### COMMISSION OF INQUIRY INTO TREATMENT OF PROTESTORS AT APEC CONFERENCE BY RCMP—LETTER FROM COMMISSIONER REQUESTING FUNDING OF STUDENT LEGAL FEES TABLED

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, in response to an oral question by the Honourable Senator Noël A. Kinsella on February 9, 1999, I have the honour of tabling, in both official languages, copies of a letter from Mr. E.N. (Ted) Hughes, Q.C., of the RCMP Public Complaints Commission, dated February 3, 1999.



## NATIONAL FINANCE

### NOTICE OF MOTION—REQUEST FOR AUTHORITY TO STUDY NATIONAL EMERGENCY AND DISASTER PREPAREDNESS

**Hon. Terry Stratton:** Honourable senators, I give notice that on Thursday next, February 11, 1999, I will move:

That the Standing Senate Committee on National Finance be authorized to examine and report upon Canada's emergency and disaster preparedness;

That the committee be authorized to permit coverage by electronic media of its public proceedings with the least possible disruption of its hearings;

That the committee present its final report no later than December 17, 1999; and

That the committee be permitted, notwithstanding usual practices, to deposit its report with the Clerk of the Senate, if the Senate is not then sitting; and that the report be deemed to have been tabled in the chamber.

## QUESTION PERIOD

### NATIONAL DEFENCE

#### SEARCH AND RESCUE HELICOPTER REPLACEMENT PROGRAM—REQUEST FOR UPDATE

**Hon. J. Michael Forrestall:** Honourable senators, shortly after Parliament rose for its Christmas break, and probably to avoid debate and not to unnecessarily incur my wrath in that period of the year when we should be wishing peace to all, the government announced a \$1.2-billion upgrade to the CF-18 fleet, an upgrade which, I might add, had been planned for many months; indeed, many months before the fatal crash of the Labrador in the Gaspé in October and some considerable time before we recessed for the Christmas break.

The upgrade is the third priority listed in the 1994 white paper on defence. By way of reminder, the first priority after search and rescue helicopters is the maritime helicopter program.

Has the government any intention of getting its priorities straight this winter and spring and initiating the maritime helicopter program? Could the Leader of the Government in the Senate give us an update on where we stand on the issue of search and rescue helicopters? Many of us are becoming afraid that the Sea Kings will be worn out before they are replaced.

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, as my honourable friend knows, we have

helicopters on order to replace the Labrador helicopters. The Minister of National Defence has assured me that defence officials are examining the best ways in which to bring forward a proposal respecting the Sea King helicopters.

#### SEARCH AND RESCUE REPLACEMENT PROGRAM—PRIORITY IN RELATION TO OTHER PROGRAMS—GOVERNMENT POSITION

**Hon. J. Michael Forrestall:** Honourable senators, the minister will be aware of how many search and rescue helicopters \$1.2 billion would have purchased last fall. He is also aware, I am sure, that the Labrador is operating at about 30 to 40 per cent efficiency; that is to say, it gets off the ground 30 to 40 per cent of the times it tries.

The knowledge that that \$1.2 billion was in the books could have led the government to an entirely different decision. The government has been very careful over the past months to convey to Canadians the belief that there were no available resources. However, there was already \$1.2 billion in the Department of National Defence envelope.

Does the minister consider that to be a responsible action with respect to search and rescue in Canada?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, the priorities of the Department of National Defence 1994 white paper may not be in the order in which the honourable senator would like them to be, however, I am sure that he would agree that those priorities are being brought forward.

**Senator Forrestall:** Shall I read them to the honourable senator?

**Senator Graham:** Senator Forrestall can read them into the record if he so wishes. I am aware of them.

While upgrading the CF-18 fleet was not the top priority, I believe it was among the top four.

**Senator Forrestall:** It was third.

**Senator Graham:** Thank you. It was number three — after the Labradors and Sea Kings.

This was done on the recommendation of our Armed Forces. I am sure that the honourable senator would agree that this was a very necessary expenditure. As a matter of fact, we have several CF-18s in a part of the world where they may be utilized in the near future, as my honourable friend already knows.

#### AWARDING OF CONTRACTS UNDER AURORA LIFE EXTENSION PROGRAM—REQUEST FOR UPDATE

**Hon. J. Michael Forrestall:** When will the minister be in a position to tell us whether or not the mid-life overhaul of the Aurora maritime patrol aircraft fleet will take place?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, as I mentioned the other day, the Minister of National Defence does not have a greater supporter around the cabinet table than the Leader of the Government in the Senate. I bring these matters to his attention on a regular basis. I am sure that when he sees me coming he runs the other way because he knows that I will be reminding him of what Senator Forrestall has said with respect to upgrading the quality of equipment for our very deserving Armed Forces personnel.

I would assure the Senate, and particularly Senator Forrestall, that the Minister of National Defence continues to push this agenda forward, mindful of the constraints, the requests, and the demands that are being made on the budget by other sectors of our society.

**The Hon. the Speaker:** Honourable senators, before I call for further questions, I would remind the Senate that, under the rules, the bells must ring in 10 minutes and the session must be suspended for the vote at three o'clock.

### FOREIGN AFFAIRS

#### FAILURE OF PRIME MINISTER TO ATTEND FUNERAL OF THE LATE KING HUSSEIN IN JORDAN—LOGISTIC POSSIBILITY OF ATTENDANCE—COMMENTS IN PRESS—GOVERNMENT POSITION

**Hon. Terry Stratton:** Honourable senators, my question is directed to the Leader of the Government in the Senate and deals with the funeral of King Hussein of Jordan.

The *National Post* reported today that:

...the military was told by the Prime Minister's Office as early as Friday, when the King was in the last stages of terminal illness, that the Armed Forces Airbus 320 would not be required until Monday — after he had completed his skiing holiday.

"The logs will show that he had no intention of going," a Liberal government insider said. "The decision (not to go) was made before the holiday...The military was told: No move before Monday."

Another source said the Prime Minister's Office yesterday put enormous pressure on Maurice Baril, the Chief of the Defence Staff, to "massage the facts to fit the prime minister's version of events."

Would the Leader of the Government in the Senate care to respond to that?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I do not think that a man of the calibre of General Baril would "massage the facts." He is an outstanding soldier and an outstanding leader. I am sure that on all occasions he would respond to matters of this kind with nothing but the facts and the truth.

I am told that the Prime Minister's Office indeed called the air force on Friday to notify them that an Airbus would be needed to

transport the Prime Minister and a delegation to attend King Hussein's funeral in the event of his death. The Canadian forces expected, as was indicated, to have 24 hours' notification in advance of the flight requirements.

I am told that the Canadian forces immediately took preliminary steps to prepare for the transport of the Prime Minister if and when the request was made. Then on Sunday, between 6:30 a.m. and 7:00 a.m., after having received notice of the death of King Hussein and notice that leaders attending the funeral were required to be at the palace in Amman Monday, 11:30 a.m. local time, the Prime Minister's Office contacted the air force and requested that an Airbus be made available from Ottawa at 11:00 a.m. on Sunday.

The Department of National Defence and the Prime Minister's Office ascertained that, given the short notification, the flying time required to bring the Prime Minister from Vancouver to Ottawa, the turn-around time in Ottawa, and the 13 and one-half hours needed to fly to Jordan, it would be impossible for the Prime Minister to arrive in Amman in time for the funeral.

Those are the facts and nothing but the facts.

**Senator Stratton:** Honourable senators, passing the buck to the Department of National Defence is reminiscent of how the buck was passed to the RCMP in the APEC affair. These have a consistent thread.

As a supplementary question, the Canadian embassy in Amman made the following request in today's *Jordan Times*:

• (1440)

As Canada was omitted in the list of attending countries printed in yesterday's *Jordan Times*, we hope that Canada's attendance can be recognized in today's *Jordan Times*, either in a brief notice or, perhaps by printing an amended list of countries in attendance.

The embassy was speaking to the fact that neither of Jordan's major English daily newspapers mentioned that representatives of Canada had attended in any capacity whatsoever. We were not even listed. Essentially, our representation by the Minister of Foreign Affairs was ignored. We cannot invoke the excuse that only heads of state were mentioned. The attendance of the foreign affairs ministers of Malaysia, Poland and Singapore were duly noted.

In another twist to the story, the Canadian embassy's letter to the *Jordan Times* was printed as the twenty-first of 22 letters to the editor. Immediately preceding the Canadian government's letter was a letter by a private citizen of Canada who admitted that he was embarrassed by the Prime Minister's truancy. That letter, printed in the *Jordan Times*, stated, in part:

As a Canadian, I would also like to express to the Jordanian people how sad and ashamed I am of our elected leader Prime Minister for not attending the funeral. His actions showed a lack of class, a lack of caring and a lack of respect and I can assure that his actions do not represent the wishes of Canadians.

Symbolism in the Middle East runs deeply. Seemingly small details are rich with significance. In this case, the significance comes from the realization that of the 22 letters published, the federal government's was the twenty-first — immediately below that of a Canadian citizen.

As a reflection of Canadian interests in Jordan, how does the government interpret these events?

**Senator Graham:** Honourable senators, in all fairness, I do not think that Senator Stratton would expect or anticipate that we can control what might appear in the *Jordan Times*, any more than we can control what appears in the *Antigonish Casket* or *The New York Times*. One thing you can say about the *Antigonish Casket* is that it is generally accurate. Obviously, the *Jordan Times*, in not carrying the name of Foreign Minister Lloyd Axworthy, was not accurate.

I want to remind the Honourable Senator Stratton that, yesterday, in this chamber we were visited by the Jordanian ambassador. I am sure that if His Excellency were offended in any way he would not have been here.

Furthermore, Prime Minister Chrétien had a personal visit with the Jordanian ambassador. I wish to point out that representatives of a number of other countries also found themselves in the situation of wanting very much to attend King Hussein's funeral but unable to do so given the great travel distances involved and the relatively short notice of the funeral arrangements.

**Senator Lynch-Staunton:** Were they all skiing?

**Senator Graham:** I understand that representatives of Australia and New Zealand could not attend for the very same reasons. As well, in this hemisphere, a number of countries were represented by ambassadors. These included such countries as Argentina, Brazil, Chile, Mexico. Prominent states in other parts of the world, including China, Indonesia, South Africa and Portugal, to name just a few, were not represented by their heads of state or governments. It would be inappropriate to speculate on the reasons for those absences. However, I want to assure honourable senators again that our Prime Minister will travel anywhere, any time, any place when it is feasible and possible to do so.

[Later]

## PLIGHT OF THE HOMELESS

REQUEST BY HOMELESS GROUP FOR MEETING  
WITH PRIME MINISTER—GOVERNMENT RESPONSE

**Hon. Erminie J. Cohen:** As honourable senators know, many homeless people gathered on Parliament Hill this morning to request a meeting with the Prime Minister. Regrettably but understandably, the demonstrators were angry and frustrated with

the failure of the government to work with the provinces to develop and invest in decent, affordable housing. I am pleased that our leader, Mr. Clark, was at this demonstration to listen to their concerns. It is unfortunate that the Prime Minister did not feel compelled to change his appointment so that he could make an appearance. It would have given these people some semblance of hope.

Will the Leader of the Government in the Senate tell us if his government is seriously looking into this very desperate situation, and if they will consider undertaking a major study to determine what direction we as a country should take to alleviate this crisis situation which could explode across the country just as it did here this morning?

**Hon. B. Alasdair Graham, Leader of the Government:** Honourable senators, the answer to that is "yes." Homelessness is a national tragedy, no matter what part of the country you come from. It is more pronounced in some areas than in others.

The social union is about provincial and territorial governments working to improve social circumstances for Canadians, including homelessness. The government is presently examining over 100 recommendations to determine where it can extend partnerships with provinces, municipalities, and the voluntary sector to help combat the growth of homelessness. The Golden report, which was commissioned by the mayor of Toronto, points out, as we all know, that there must be preventative, long-term approaches to deal with the root causes of homelessness.

I could get to statistical information about the amount of money which has been provided and will be provided in the future. However, I want honourable senators to know that the Canada Mortgage and Housing Corporation, CMHC, is working with various levels of government and community groups to undertake activities such as identifying and sharing best practices in Canada for preventing and addressing homelessness.

I believe it is this June that CMHC plans to stage a national round table in Ottawa on the best practices for addressing homelessness. I understand that, prior to that, there will be lead-up round tables in the various regions of the country.

We look forward to participating in round table discussions, particularly the conference to be held in June. Senator Cohen, a leading proponent of positive measures that should be undertaken to address this matter, would be a most welcome participant.

## BUSINESS OF THE SENATE

**The Hon. the Speaker:** Honourable senators, pursuant to rule 66(3), I must interrupt Question Period to suspend the sitting so that the Senate may proceed to the deferred division on Bill C-43.



## ORDERS OF THE DAY

## CANADA CUSTOMS AND REVENUE AGENCY BILL

## SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Carstairs, seconded by the Honourable Senator Pépin, for the second reading of Bill C-43, to establish the Canada Customs and Revenue Agency and to amend and repeal other Acts as a consequence.

**The Hon. the Speaker:** Honourable senators, it was moved by the Honourable Senator Carstairs, seconded by the Honourable Senator Pépin, that this bill be read the second time.

Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill read second time on the following division:

## YEAS

## THE HONOURABLE SENATORS

Adams	Losier-Cool
Austin	Maheu
Bacon	Mahovlich
Bryden	Mercier
Butts	Milne
Callbeck	Moore
Carstairs	Pearson
Chalifoux	Pépin
Cook	Perrault
Cools	Poulin
Corbin	Poy
De Bané	Prud'homme
Ferretti Barth	Robichaud
Fitzpatrick	( <i>Saint-Louis-de-Kent</i> )
Fraser	Roche
Gill	Rompkey
Grafstein	Ruck
Graham	Sparrow
Hays	Stewart
Hervieux-Payette	Stollery
Johnstone	Taylor
Joyal	Watt
Kenny	Whelan
Kroft	Wilson—48
Lawson	

## NAYS

## THE HONOURABLE SENATORS

Andreychuk	Gustafson
Angus	Johnson
Atkins	Keon
Balfour	Kinsella
Beaudoin	Lavoie-Roux
Berntson	LeBreton
Bolduc	Lynch-Staunton
Buchanan	Murray
Cochrane	Oliver
Cohen	Phillips
Comeau	Rivest
DeWare	Roberge
Di Nino	Robertson
Doody	Simard
Forrestall	Spivak
Ghitter	St. Germain
Grimard	Stratton—34

## ABSTENTIONS

## THE HONOURABLE SENATORS

Nil

## REFERRED TO COMMITTEE

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the third time?

On motion of Senator Carstairs, bill referred to the Standing Senate Committee on National Finance, on division.

• (1510)

## COMPETITION ACT

BILL TO AMEND—MOTION TO CONCUR WITH MESSAGE  
FROM COMMONS—DEBATE ADJOURNED

**Hon. B. Alasdair Graham (Leader of the Government),** pursuant to notice of February 9, 1999, moved:

That the Senate concur in the amendments made by the House of Commons to the amendments to Bill C-20, an Act to amend the Competition Act and to make consequential and related amendments to other acts; and that a message be sent to the House of Commons to acquaint that house accordingly.

He said: Honourable senators, Bill C-20, contains important provisions which will assist the Competition Bureau in investigating the despicable crime of deceptive telemarketing. It also contains improvements which will enable the bureau to deal more expeditiously with misleading advertising and other deceptive marketing practices, and modernizes provisions related to merger pre-notification.

On December 10 last, honourable senators will recall that this chamber passed Bill C-20 with an amendment. The effect of the amendments was to remove the so-called "whistle-blowing" provisions, which would provide protections for employees and contractors who become aware that their employer was engaged in conduct that contravened the Competition Act and reported that conduct to the Competition Bureau.

On February 5 of this year, our amendment was considered by members of the other place. After careful consideration, they restored the substance of the whistle-blowing provisions but made significant changes to address concerns that had been expressed to witnesses who appeared before the Standing Senate Committee on Banking, Trade and Commerce and by members of this chamber.

The central concern expressed by the Canadian Bar Association was that, with those provisions as written, it may have been possible for an employer to be held criminally liable for disciplining or dismissing an employee who failed to carry out an order that did not involve conduct which contravened the Competition Act. That act concerns very complex issues. Some of the provisions deal with criminal conduct, such as "bid-rigging" and conspiracy to fix prices and share markets. Some of the provisions of the act are civil in nature, which concern conduct such as "refusal to deal" and "abuse of dominant position." Aggressively undercutting a competitor's prices, for example, may constitute "abuse of dominant position," or it may simply be healthy, aggressive competition, depending on the degree of market control held by the aggressor. That determination is made by the Competition Tribunal, a body specifically constituted to have both judicial and economic expertise. Conduct which the Competition Tribunal finds to be anti-competitive is not illegal until the tribunal makes its determination and orders the conduct to cease.

The amendment to Bill C-20 made in the other place addresses that concern. It makes clear that the whistle-blower protections apply only in relation to persons reporting criminal conduct under the Competition Act. In my view, this change strikes the proper balance between protecting employees and ensuring that employers maintain their legitimate responsibility and control over the workplace.

Other points were raised in submissions made to the Senate Banking Committee. There were suggestions that the whistle-blower protections may not be necessary because existing confidentiality provisions of the Competition Act and common law informer protections are sufficient. Our colleagues in the other place considered these suggestions but felt it important to enact these additional protections as an express encouragement by Parliament to persons who have knowledge of criminal activity undermining competition, to report it.

There were suggestions that because the whistle-blower protections were added to Bill C-20, not on the recommendation of the consultative panel, but on the initiative of a private member when the bill was in the committee stage of the House,

there has been a lack of public consultation on these provisions. Honourable senators should understand that the whistle-blower protections were introduced with the support of the Public Interest Advocacy Centre, which has 800 individual and corporate members and represents 1.5 million Canadians. It is certainly a measure that has wide support among the general public.

There were also suggestions that criminal sanctions are inappropriate in the context of employer-employee relations. Let us be clear about what is being proposed. These provisions are intended to protect employees from intimidation and threat of retribution by employers who are engaged in criminal activity. Criminal sanctions are not only appropriate but likely to be the only effective deterrent to restrain persons already engaged in criminal activity from compounding the crime by intimidating innocent employees to keep them from going to the authorities.

However, in response to suggestions that the penalties specified in the original provisions were excessive, the government has removed the specific penalties. This will mean that upon conviction an employer will be liable to the same penalties he or she would be liable to under the Criminal Code for contravention of any federal statute — no more, no less.

If employers fear these protections may be exploited by an employee with a grievance, they can protect themselves simply by ensuring that their business practices are above board. The Competition Bureau officers concerned businesses its program of compliance, which outlines measures that companies can take to make sure that employees understand what does and what does not contravene the Competition Act.

The whistle-blower protections, like other key provisions of this bill which deal with deceptive telemarketing, will assist the investigation of serious crimes that both undermine legitimate competition and victimize consumers to the detriment of the economy as a whole.

I should like to conclude by reading into the record a copy of a letter which was sent last week to Mr. Konrad von Finckenstein, the Director of the Competition Bureau, by Ms Jo'Anne Strekaf, the Chair of the National Competition Law Section of the Canadian Bar Association. It reads:

Dear Mr. von Finckenstein:

Re: Bill C-20, (Whistle-blower Provisions)

Further to our recent discussion concerning the revisions which you are suggesting be made to the whistle-blower provisions of Bill C-20 to address concerns expressed by the National Competition Law Section of the Canadian Bar Association (a copy of which is enclosed), I would confirm on behalf of our Section that we are prepared to support the proposed revisions. While we would prefer to have had an opportunity to be consulted in regard to this provision, and we are still not persuaded of the need for it, the proposed

revisions do address a number of the concerns we originally expressed in regard. On balance, our preference is to have Bill C-20 come into effect (including the whistle-blower provision as proposed to be revised) rather than to have it not proceed at all or be significantly further delayed, given that there are a number of needed changes that will be brought about by Bill C-20 which we support.

Please feel free to provide copies of this letter to whomever you consider may be appropriate in order to expedite the legislative process in this regard.

Yours very truly,  
Jo'Anne Streckf  
Chair, National Competition Law Section  
Canadian Bar Association.

• (1520)

I hope that this letter provides some reassurance to Senator Oliver in particular and to others in the chamber who raised the concerns that the Canadian Bar Association had with the original whistle-blowing provision. I hope that we can now move forward to enact into law a bill that Canadians genuinely want and need.

Abusive telemarketing practices are costing Canadians, particularly the elderly, untold millions of dollars every year. Bill C-20, once enacted, will put an end to many of these practices.

Honourable senators, there have been discussions among the leadership on both sides. I believe we have reached an agreement that it would be appropriate to move that this bill be now referred back to the Standing Senate Committee on Banking, Trade and Commerce for further consideration. I know that members of that committee will want to deal with the matter expeditiously.

I know that the honourable Senator Lynch-Staunton has indicated that he also wishes to make a few remarks.

**The Hon. the Speaker:** Honourable senators, we already have a motion already before the house. I cannot accept a second motion at this time, however there will be debate on the first motion.

**Hon. John Lynch-Staunton (Leader of the Opposition):** Honourable senators, I move the adjournment of the debate and I will make a few pertinent remarks tomorrow. The adjournment will not delay debate on the bill since the Banking Committee cannot deal with this matter until tomorrow in any event. With the understanding that the bill will be again referred to the Banking Committee tomorrow, I move the adjournment of the debate.

On motion of Senator Lynch-Staunton, debate adjourned.

### BUSINESS OF THE SENATE

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, before I proceed, I should like to thank Senators Forrestall and Buchanan, who had intended to speak today but who have agreed to speak tomorrow. The matters on which they intend to speak will be at the top of the Order Paper tomorrow.

There is general agreement that we adjourn the Senate in order that committees may sit, and that all items on the Order Paper retain their positions.

**The Hon. the Speaker:** Is it agreed, honourable senators, that all other items will stand as they are presently on the Order Paper, and that the Senate do now adjourn?

**Hon. Senators:** Agreed.

The Senate adjourned until tomorrow at 2 p.m.



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CANADA

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OFFICIAL REPORT  
(HANSARD)

Thursday, February 11, 1999

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THE HONOURABLE GILDAS L. MOLGAT  
SPEAKER

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(Daily index of proceedings appears at back of this issue.)

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## THE SENATE

Thursday, February 11, 1999

The Senate met at 2:00 p.m., the Speaker in the Chair.

Prayers.

### SENATORS' STATEMENTS

#### PRINCE EDWARD ISLAND

COLLEGE OF PIPING AND CELTIC PERFORMING ARTS OF  
CANADA—WILLIAMS REPORT ON GOVERNMENT WASTE

**Hon. Catherine S. Callbeck:** Honourable senators, I rise today on an issue which has struck a chord in my home province, that being the so-called "Waste Report" recently issued by the Reform Member of Parliament John Williams. In his rhetoric-filled document, Mr. Williams takes particular delight in chiding the federal government for its support of certain projects. One of these projects, as listed by Mr. Williams, is one of the great success stories — in terms of education, culture and tourism — anywhere in the country.

I have watched with great pride over the last two years as the College of Piping and Celtic Performing Arts of Canada, based in Summerside, received international recognition. It now has over 340 students currently enrolled in the college from all corners of the world, from as far away as Australia, New Zealand, Florida, Vancouver, and, yes, even Scotland.

This fine institution has grown and prospered along with its world-class reputation. In his wisdom, however, Mr. Williams chose to single out the College of Piping, and its \$125,000 federal grant, as a waste of money. He does not point out that this money came with the condition that the college raise one quarter of a million dollars in matching funds to carry out its project. He does not say that the money will go toward the production of 40 separate events at the college this year. He neglected to specify that these events will be attended by over 20,000 people and will generate hundreds of thousands of dollars in economic spin-offs for the community.

I would suggest that this institution is very worthy of government assistance.

Last year, at the most prestigious solo piping competition in the world, the champion solo piper was an instructor from the college, while the second-place finisher was an 18-year-old college student.

• (1410)

As you may be aware, the population of my province is comprised mostly of people of Celtic descent, approximately 45 per cent of whom trace their heritage directly to Scotland. Culture, in all its forms, is very important. It is deserving of

support. As the old saying goes, if we do not know where we come from we cannot know where we are going.

For Mr. Williams to describe providing money to this institution as wasteful is a disservice to all Canadians. What Mr. Williams has done is unfortunate and self-serving, and obviously he has not done his homework.

I am inviting him to be my guest this summer at the highland gathering at the College of Piping in Summerside, Prince Edward Island. I firmly believe that if he has the opportunity to experience this wonderful institution firsthand, and witness what it means to the people of Prince Edward Island and visitors to our province, then he will quickly change his mind about its importance.

#### NEWFOUNDLAND

1999 CANADA WINTER GAMES

**Hon. Ethel Cochrane:** Honourable senators, on February 20, western Newfoundland will welcome over 2,600 athletes and some 800 coaches and managers from every province and territory to the Canada Winter Games. That is a bigger contingent of athletes than Japan had in Nagano for the Winter Olympics last year. This will be the first time the winter games have come to Newfoundland and Labrador.

We are looking forward to providing participants and spectators with two weeks filled with good sport and good fun. The games will be centred in Corner Brook; however, the host region includes the communities of Stephenville, Deer Lake, Steady Brook and Pasadena.

The Canada Winter Games is the largest multi-sport event in the nation. From February 20 to March 6 there will be competition in 21 sports. The host region will stage a total of 135 competitive events.

Again, there will be more athletes than at the Nagano Olympics, and we will do it with a budget of just \$38 million, compared with the more than \$1 billion it cost to put on last year's Winter Olympics.

Corner Brook, Stephenville and other communities expect a total attendance of 150,000 at the events, and over 25,000 spectator visits from outside the region. There will be entertainment and social activities to go with the excellent athletic competition. Western Newfoundland is looking forward to treating the "come-from-aways" to our brand of western hospitality.

Honourable senators, I know you are looking forward to the end of winter, but from now until March 6, I invite you to join me in wishing for snow, cold weather and an exciting 1999 Canada Winter Games.

[Translation]

### CITIZENSHIP AND HERITAGE WEEK

**Hon. Lucie Pépin:** Honourable senators, as our colleague Senator DeWare told us so eloquently on Tuesday, this week is Citizenship and Heritage Week.

This brings me great pleasure, both as a senator and as a Canadian who takes great pride in our country and its many accomplishments.

[English]

Canada is truly a wonderful country in which to live. It is important that we take time to reflect on our past and on what it means to be Canadian, that collectively we strive to build a better understanding of each other, our common values and the journey we have made together thus far.

By looking to the past and celebrating our achievements as a nation, we can strengthen our sense of citizenship and shared purpose, and work with one another to fashion the society we want for the future.

Canada has an exceptionally rich and diverse heritage. It is a story made up of many different people, from the First Nations to the European explorers and early settlers, and to tens of thousands of courageous women and men since then who came to Canada from around the globe.

[Translation]

Ours is an inspiring story that draws its power both from the imposing beauty of the land itself and from the determination with which generations of Canadians have worked together to build the country of their dreams.

[English]

For instance, I am particularly glad that more Canadians are coming to appreciate the tremendous contribution made by the people of the First Nations to our country. From the helping hand extended to the first European explorer, to the valour and comradeship of the native Canadians who fought for Canada in both world wars, our First Nations have played a crucial role in the development of Canada.

I am also pleased that more of us are learning to look at Canada's history through the lens of women's experience in addition to that of men.

Marie de la Tour, Marguerite Bourgeoys, Molly Brant: These were brave and adventurous women, as were women like Susanna Moodie, Catherine Parr Traill.

[Translation]

These stories — and many others that speak to the experience of the different cultural communities in our Canadian mosaic — are all part of our common heritage. They are stories that we should learn to tell each other and — where appropriate — to celebrate.

Honourable senators, Citizenship and Heritage Week also shines the light on the pivotal role immigration has played in shaping our nation.

As my colleagues know, successive waves of immigration have strengthened our economy and, in large part, made Canada what it is today — a dynamic, prosperous, multicultural society. French, English, Irish, Dutch, Ukrainians, Chinese, Vietnamese, Ugandans, Somalis, and many others have left their homelands, for one reason or another, and sought a better life here in Canada.

Each has brought with them a dream of the kind of country in which they would like to live.

[English]

Those dreams are what have fashioned us as a nation. The details may have changed over time but the core values have remained the same. Justice, equality and respect for human rights, over the years these have become the hallmark of Canadian society.

[Translation]

Honourable senators, there is value in taking time to reflect on what it means to be a Canadian. What are our responsibilities as Canadian citizens? What kind of society do we want to be at the dawn of the millennium?

Honourable senators, it is my fondest wish that Canadians will take advantage of this week to look not only at the past but to the future as well. Equality, tolerance, sharing and compassion are all key building blocks for a growing economy and a strong social fabric. In short, they are the foundations for a bright and sustainable future.

Let us celebrate the past and shape our future together and talk about it.

### FISHERIES AND OCEANS

#### CREATION OF NEW FISHING ZONE FOR SNOW CRAB

**Hon. Fernand Robichaud:** Honourable senators, I rise again today to speak to you a second time on snow crab.

Coastal New Brunswick and Gaspé fishers are calling for the creation of a new fishing zone in which they may catch snow crab.

At the moment, this privilege is reserved for a number of permit holders, who are the only ones to exploit this very lucrative and abundant resource in zone 12.

While 1,700 coastal fishers make their living in difficult conditions, they do not have access to this resource, an appreciable quantity of which die annually from aging.

The fishing areas in the zone in question extend from the south coast of the Gaspé to eastern New Brunswick, including Chaleur Bay and the Shediac valley.

A request to create new zones was officially submitted to the Minister of Fisheries and Oceans in March 1998. The zone proposed is already dominated by coastal fishing.

According to the information in the application, lobster represents between 70 per cent and 80 per cent of the total value of the catch by the coastal fleet. Although the coastal fishing zone represents traditional fishing grounds for a significant fleet of fishers, it would be more than justifiable to have these fishing grounds officially recognized as a coastal zone.

This recognition would give and, more important, ensure access to a number of species found in this area, as well as facilitate long-term planning to reduce dependency on lobster fishing.

Instead of having a limited number of licence holders operating a very lucrative crab fishery, coastal fishers would have access to a fair share of this resource.

In addition, plant production would increase, requiring the hiring of more workers to meet the demand. This is a win-win situation.

It was also recommended that a joint management commission be established to reconcile the needs of fishers and those of their communities through a responsible and sustainable approach to resource management.

Snow crab is the only healthy commercial species in the proposed coastal area to which coastal fishers do not have access, which is unacceptable given how plentiful this resource is and since crabs are dying of old age.

Besides, coastal fishers in New Brunswick and the southern part of the Gaspé coast are the only ones in the entire Gulf of St. Lawrence not to have access to the snow crab fishery. New Brunswick is the only province in Atlantic Canada not to have a coastal snow crab fishing zone.

Honourable senators, for these reasons, I reiterate my support to the representations in favour of establishing a fishing area for coastal fishers. By approving the establishment of the proposed fishing zone and making it accessible to coastal fishers, we are practicing what we preach, and that is a fair distribution of the resource belonging to those communities that depend on it.

## ROUTINE PROCEEDINGS

### ADJOURNMENT

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(h), I move:

That when the Senate adjourns today, it do stand adjourned until Tuesday next, February 16, 1999, at 2 p.m.

**The Hon. the Speaker:** Is leave granted, honourable senators?

**Some Hon. Senators:** Agreed.

Motion agreed to.

[English]

## BUDGET SPEECH

### ACCOMMODATION OF SENATORS IN COMMONS GALLERY

**The Hon. the Speaker:** Honourable senators, before I call Question Period, I would remind senators that the budget speech will be delivered at 4:15 p.m., Tuesday, February 16, 1999. As has been the practice in the past, only senators will be allowed in the Senate gallery in the House of Commons so that any senators who wish to attend can be accommodated.

## QUESTION PERIOD

### FOREIGN AFFAIRS

#### FAILURE OF PRIME MINISTER TO ATTEND FUNERAL OF THE LATE KING HUSSEIN—SCHEDULING IN PMO— INVOLVEMENT OF CHIEF OF DEFENCE STAFF

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, my question is for the Leader of the Government in the Senate.

Can the leader advise this house who in the Prime Minister's Office is responsible for arranging the schedule of the Prime Minister?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I would imagine it would be a combination of people, depending upon the particular event that is being scheduled. I would presume it would be the Director of Operations.

**Senator Kinsella:** Could the leader advise us as to who in the Prime Minister's Office informs the Department of National Defence when a Department of National Defence aircraft is necessary for the Prime Minister's use?

**Senator Graham:** Honourable senators, I am not certain, but I presume it would be the Director of Operations. I will make inquiries and bring forward the proper information.

**Senator Kinsella:** Honourable senators, will the Leader of the Government not agree that certain personnel in the Prime Minister's Office are responsible to inform the various agencies of the government, whether it be the security service, the RCMP or the Department of National Defence, in a timely fashion, that the services of that agency are required?

**Senator Graham:** Yes, I would presume that someone must give them notice.

**Senator Kinsella:** Could the minister explain to this house why such a terrible mistake was made in not getting the Prime Minister to Amman to attend the funeral of the late King Hussein of Jordan, which failure has caused great embarrassment to the country and, no doubt, to the Prime Minister as well?



**Senator Graham:** I am not aware of the intricate negotiations or messages that were forwarded from either the Prime Minister's Office or the Canadian Forces. However, I do know that the Chief of the Defence Staff, General Baril, made a statement yesterday; and I would let it rest at that.

**Senator Kinsella:** Honourable senators, with regard to the statement made yesterday by the Chief of Defence Staff, I believe that most Canadians were quite embarrassed by the unseemly sight of General Baril acting as the fall guy for the Prime Minister.

**Senator Graham:** Honourable senators, it is an unfair statement to characterize General Baril, a distinguished soldier, as a "fall guy." He has built up an enviable reputation in the Armed Forces, both at home and abroad.

General Baril should not be characterized under any circumstances as a "fall guy." He stands on his own merits. I take his word as he gave it.

## FISHERIES AND OCEANS

REPORT ON WEST COAST FISHING COMMUNITIES—  
VERACITY OF RELEASED VERSION—GOVERNMENT POSITION

**Hon. Gerald J. Comeau:** Honourable senators, is the Leader of the Government in the Senate aware that the Department of Fisheries and Oceans recently withheld a major report on the economically devastated West Coast fishing communities and then released a sanitized version which omitted key criticisms contained in the initial report?

According to *The Globe and Mail* of February 5, the author of the report, G.S. Gislason, charged that the final version of the report contained inconsistencies and recommendations that he did not make which, he says, "comes close to misrepresentation."

Among the conclusions contained in the original report which were omitted in the final report are: that the West Coast fishing communities have not been well-served by the existing government assistance program; that the fisheries department is in the business of token consultation aimed more at managing public relations than gathering opinions; and that the total salmon fishery job losses by the year 2000 will be 15,500, about double those realized through 1997.

My question for the Leader of the Government in the Senate is this: Such recommendations undermine Canada's faith in the civil service which has a long and proud tradition in Canada. What actions will the government take to ensure that the department will not repeat this type of action in the future?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I would agree with Senator Comeau that Canada's public service has a long and proud tradition in our country.

I am not aware of any "sanitized version" of the report that was released. I am sure it is a very timely and interesting report.

On a number of occasions, Senator Comeau has won praise from all sides of this chamber for his work as the distinguished

Chairman of the Standing Senate Committee on Fisheries. It may very well be that the report should be the subject of an examination by the Fisheries Committee.

**Senator Comeau:** Honourable senators, I thank the minister for the praise.

The report is, in fact, very critical of certain actions taken by the department. The removal of those sections which were critical of the department caused the author some concern, since his name remained as author of the report. He did not want to be a party to that.

The loss of 15,500 more jobs would be significant. Does this figure of 15,500 job losses predicted by the author of the report due to problems in the West Coast fishery coincide with the government's numbers? Is this number accurate? If so, will the government take action to respond to the problems this is causing in the affected communities?

**Senator Graham:** Yes, honourable senators, the government has already provided financial assistance to the West Coast fishery.

Senator Comeau also asked whether the figure of 15,500 job losses is consistent with the figure arrived at by the Department of Fisheries and Oceans. I would have to make inquiries to determine whether it is.

Certainly, if the Department of Fisheries and Oceans believes that it would be desirable to provide clarification of the earlier study to which the honourable senator referred, I would be pleased to bring forward such a report.

## NATIONAL DEFENCE

SEARCH AND RESCUE HELICOPTER REPLACEMENT PROGRAM—  
ALLOCATION OF FUNDS TO UPGRADE CF-18 FLEET—  
PRIORITY OF PROGRAM—GOVERNMENT POSITION

**Hon. J. Michael Forrestall:** Honourable senators, yesterday I raised the question of the significance of search and rescue capability in Canada and our capacity to replace the aging fleet of Labrador helicopters.

I have been advised by sources in the Canadian national defence structure, upon which I have relied for many years, that the Minister of National Defence did not know that there was \$1.2 billion kicking around on the books, that it came to light only as a result of due diligence and access to information.

I am told as well, and I agree with the proposition, that this could well be the result of politics within the Armed Forces — the interests of F-18 pilots versus the interests of helicopter pilots.

Could the minister determine whether that is the case? Would he then bring to this chamber an explanation of why that money was not used to buy EH-101 helicopters to replace the aging Labradors, thus relieving the undue pressure being placed upon the Sea Kings which must now answer virtually 60 per cent of the calls for service by the Labradors?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I do not think that an amount as large as \$1.2 billion could be kicking around on the books of the Department of National Defence without the minister's knowledge. Moreover, I do not think that an expenditure of \$1.2 billion would be made to refit and upgrade the CF-18s without the express knowledge and approval of the minister.

I would hesitate very much in pitting the pilots of one section of the Armed Forces against those of another. We should all press on, Senator Forrestall, in encouraging the government to do what must be done to provide our Armed Forces personnel with proper equipment.

As I have said, we have already ordered the replacements for the Labradors. The minister and the department are considering how best to approach the question of replacements for the Sea Kings. I hope that our combined efforts will meet the satisfaction of both the Armed Forces personnel and the Canadian public.

**Senator Forrestall:** Perhaps, honourable senators, the minister would rise one day next week and tell us where that \$1.2 billion came from. It should be used for search and rescue equipment, as he and all Canadians well know.

We do not want to get into what Mr. Gates had to say in his diary about that equipment. Now we know the truth. Where did the \$1.2 billion come from?

**Senator Graham:** It came from the resources of the Department of National Defence.

**Senator Forrestall:** Sure it did. Why, then, was it not used properly?

## FOREIGN AFFAIRS

VISIT BY RUSSIAN DELEGATION—ASSISTANCE  
TO ALLEVIATE FAMINE—GOVERNMENT POSITION

**Hon. Leonard J. Gustafson:** Honourable senators, my question is directed to the Leader of the Government in the Senate.

Last night, I and various other senators attended a meeting with a Russian delegation led by their minister of agriculture. Very sad information was brought to the Parliament of Canada. We were told very bluntly of a collapsed economy and a country that is almost under the rule of the mafia. We heard about drought. Russia, which normally produces 90 million tonnes of wheat, can now only produce 40 million tonnes as a consequence of a drought. We were told of famine and hunger in that country.

For many years, the Russians bought large amounts of grain from Canada. Canada currently has a glut of wheat. Would the Leader of the Government in the Senate carry to cabinet a suggestion which I think would meet the approval of many senators, including Senator Stewart who chaired the meeting? That suggestion is that that glut of grain be given as aid or as part of a long-term loan to Russia.

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I congratulate Senator Gustafson for his timely intervention and for his continuing interest, not only in the concerns that arise as a result of declining farm incomes in Western Canada, but in other parts of the world as well. As the greatest and most fortunate country in the world, we do have responsibilities.

The honourable senator is absolutely right in stating that the Russian economy has collapsed. The Russian delegation and the spokespersons made very forceful representations calling attention the famine in that country.

For humanitarian reasons, among many others, I would be happy to bring Senator Gustafson's representations to the attention of the Prime Minister, the Minister of Foreign Affairs, the Minister of Trade and the Minister of Agriculture.

●(1440)

**Hon. Marcel Prud'homme:** Honourable senators, perhaps in the representations the minister could say that many of the 18 senators — and, it was the largest congregation of senators in the history of this parliamentary group that is not officially funded by Parliament — and the 19 members of the House of Commons who attended the meeting expressed non-partisan views. The views expressed by Senator Gustafson were shared by many of the members. Senator Gustafson took the initiative to rise today, but many of those in attendance share his views. If the leader would like the list, I would be happy to provide it.

**Senator Graham:** Honourable senators, as a matter of fact, I would be interested in the members who attended, and I congratulate our colleagues who attended that meeting.

I will bring the matter to the attention of those I mentioned earlier. I remember many years ago — and I am sure Senator Prud'homme was in attendance — when the man who was then responsible for agriculture, and later became the President of the Soviet Union, Mr. Mikhail Gorbachev, came to Canada. Senator Whelan was the then minister of agriculture. I attended a joint meeting of both Houses. I believe it was the agriculture committees and the foreign affairs committees of both Houses. It was a most interesting discussion. I will not go into the details of the most interesting discussions as I recall them, but that was the beginning of a very important dialogue between our two countries — perhaps what we might characterize as "a new beginning."

Our friends in what is now Russia are having a difficult time. I am sure that Canada, with its very enviable role on the world stage, will be most anxious to provide whatever help it can at this time. I would be very pleased and honoured to bring forward the representations that have been made by Honourable Senators Gustafson and Prud'homme. I know that Senator Stewart, who is the Chairman of the Foreign Affairs Committee and who chaired the particular meeting to which the honourable senators refer, and all honourable senators would want to join in making their individual representations to our colleagues in the government.



## ANSWER TO ORDER PAPER QUESTION TABLED

RATIFICATION OF CONVENTION ON COMBATTING BRIBERY OF  
FOREIGN PUBLIC OFFICIALS IN INTERNATIONAL BUSINESS  
TRANSACTIONS SPONSORED BY OECD—  
GOVERNMENT POSITION

**Hon. Sharon Carstairs (Deputy Leader of the Government)**  
tabled the answer to question No. 137 on the Order Paper—by  
Senator Lynch-Staunton.

## ORDERS OF THE DAY

### RAILWAY SAFETY ACT

BILL TO AMEND—SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Poulin, seconded by the Honourable Senator Pearson, for the second reading of Bill C-58, An Act to amend the Railway Safety Act and to make a consequential amendment to another Act.

**Hon. J. Michael Forrestall:** Honourable senators, I rise today to speak to second reading of Bill C-58. I had the honour, as some of you will know, to chair a subcommittee of the Standing Senate Committee on Transportation and Communications of this chamber and, latterly, the Special Senate Committee on Transportation Safety. The special committee recently tabled its interim report, which we all believe significantly adds to the literature on transportation safety in our country.

If I may be permitted a small commercial in this respect, I believe through our hearings and travels we have accumulated a great deal of knowledge in the area of transportation safety. Having released our interim report, we will now concentrate first on air safety. We hope to have our report before the chamber before the summer recess. We will then move into the other modes. That is, rail, marine and highway transport, which was the subject that led us to this current round of studies on transportation safety and security, the first round having been brought to our attention by our former colleague Senator Keith Davey. Highway transport will, perhaps, be the most interesting because we will be trying to deal with the difficulties on Canada's highways, issues such as safe trucking and so on.

This commercial is directed particularly at my colleagues opposite. Since the establishment of the special committee last June, we have not had so much a problem of attracting quality people but in retaining their interest. Frequently, those who have come to join us in our study have had prior obligations and responsibilities and have found it difficult to stay with us on a full-time basis. If there is anyone over there who has an interest in air safety and security, they might seek out their whip, indicate their interest and come and join us. We can promise a variety of

interests, interesting people and some travel, but we do not do very much heavy lifting.

Honourable senators, returning to the subject of Bill C-58, both the Subcommittee on Communications and the Special Committee on Transportation Safety and Security have studied the rail industry in some depth. We have met with the major operators and unions in Canada, with the singular exception of VIA Rail which we intend to meet with later this spring.

In the United States, we met with the umbrella groups of management and unions, as well as officials from Amtrak. In both France and Great Britain, we had extensive meetings with public officials and officials from France's high speed rail facility. All of this has given a number of senators in this place, namely, Senators Bacon, Mercier, Adams, Roberge, and myself, a great deal of knowledge and depth with which to assess the merits of the bill before us today and, indeed, other transportation bills that will be forthcoming in the months ahead.

In its interim report, the Special Senate Committee on Transportation Safety and Security raises a number of issues concerning rail safety in Canada. Two recent reports from the Transportation Safety Board are highlighted. The board, in its reports on the derailment outside Edson, Alberta, and the VIA train derailment near Biggar, Saskatchewan is quite critical of rail safety. It is critical of the lack of attention to safety in relation to two accidents which possibly could have been prevented.

I commend to all senators the reading of chapter 4 of our report, as that is the main chapter on the subject-matter of the bill before us.

Our discussions on rail safety have also revealed the concerns of the unions over the downsizing of the workforce in the rail industry. Few industries have been hit as hard as the rail transportation sector in Canada in terms of sheer numbers. The practical applications of computer technology have caused this situation. Unions are concerned — and, frankly, so am I — that downsizing could negatively affect safety.

We can only urge the unions and management to continue to work together in the interest of safety. There is a responsibility on all of us to work toward a culture of safety in our thoughts and in our actions with respect to all forms of transport in Canada.

•(1450)

Turning specifically to Bill C-58, I must say that I welcome many of the concepts set out in the bill and look forward to the deliberations of the Standing Senate Committee on Transport and Communications.

Clause 1 of the bill sets forth the objectives of the Railway Safety Act. These objectives do not specifically mention the unions involved in the rail industry. I believe that because these groups expressed great interest in safety, and because it is their members who are on the front lines of safety, the unions should



be specifically mentioned in either paragraph (b) or paragraph (c) which set forth the responsibility for safety or the improvement of safety.

Clause 13 of the bill gives the minister the power to require a railroad to formulate safety rules; alternatively, such rules can be imposed by the minister. There is a period set out in the bill for consultation. We would hope that the minister would ensure, either through an amendment to this bill or in a regulation, that the unions are consulted and taken into account in meaningful ways.

Clauses 15 and 19 give specific powers to the minister dealing with safety matters. Under clause 15, the minister can exempt railway companies from the application of certain regulations. These are regulations that deal with safety at rail crossings and other potential hazards. As with other bills we have seen recently in this place that give discretion to the minister, no criteria are set out for exercising that discretion. We hope that, in using his discretion, the minister will continue to err on the side of safety.

Clause 18 allows the minister to require that train whistles not be blown in residential areas late at night. That would be a blessing in my community for hundreds and hundreds of senior citizens; however, it might pose a safety problem. For insomniacs, I suppose the sound of the whistle would be no problem. For those, however, who may be awakened from a sound sleep, I suppose a train whistle could be disturbing. I hope again that the discretion to shut down train whistles will be used sparingly. There are only a limited number of ways to notify the public of an oncoming train. Here, the minister should err on the side of safety in granting approval to shut down the whistle. Perhaps in committee he will tell us how he intends to exercise his discretion. It is only the train whistle that lets you know a train is coming.

Clause 19 gives the Minister of Transport the power to make regulations in relation to the construction and maintenance of the roads and the control of vehicular and pedestrian traffic to ensure safe rail operations at level crossings. Indeed, again I draw your attention to the pertinent sections of our interim report that is already before the chamber. As roads and highways are within provincial jurisdiction, we continue to be concerned about the constitutional effect of certain regulations that are contemplated and, indeed, set forth.

I am pleased that the bill gives regulation-making power to the cabinet respecting the development and implementation of safety management systems by railway companies. This is a positive move on the part of the government, and it is most welcome.

In Great Britain, rail companies are required to submit and update "safety cases." These safety cases are to be developed by management in conjunction with the rail unions. I hope that is the direction in which we are moving here in Canada.

As much of this bill will be implemented by regulation, we would hope that these same regulations will be tabled in both

Houses before they become law. I am sure that members of the Standing Senate Committee on Transport and Communications would like to review them. This bill generally is a positive step forward. It is the result of an overlook of the system required by statute.

Canadians are fortunate to have a railway transport system as large as it is and as safe as it is. However, the sad fact is that it needs to be made safer, and it can and must be made safer through the appropriate application of regulations and by a concerned and growing awareness on the part of both management and unions of the need to practise safety and to develop a culture for safety. In the final analysis, that is the only way we will be able to hold the line on some of the tragic accidents that have been occurring all too frequently on our rail systems.

**The Hon. the Speaker:** Honourable senators, it was moved by the Honourable Senator Poulin, seconded by the Honourable Senator Pearson, that this bill be read the second time. Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill read second time.

REFERRED TO COMMITTEE

**The Hon. the Speaker:** When shall this bill be read the third time?

On motion of Senator Carstairs, bill referred to the Standing Senate Committee on Transport and Communications.

[Translation]

## SCRUTINY OF REGULATIONS

### THIRD REPORT OF COMMITTEE TABLED

Leave having been given to revert to the presentation of reports from standing or special committees:

**Hon. Céline Hervieux-Payette:** Honourable senators, I have the honour to table the third report of the Standing Joint Committee for the Scrutiny of Regulations on the repeal of subsection 68(1) of the Narcotic Control Regulations.

### FOURTH REPORT OF COMMITTEE TABLED

**Hon. Céline Hervieux-Payette:** Honourable senators, I have the honour to table the fourth report of the Standing Joint Committee for the Scrutiny of Regulations on the repeal of subsections G. 06.001(1) and J. 01.033(1) of the Food and Drug Regulations.

[English]

## PRECLEARANCE BILL

### SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Carstairs, seconded by the Honourable Senator Joyal, P.C., for the second reading of Bill S-22, authorizing the United States to preclear travellers and goods in Canada for entry into the United States for the purposes of customs, immigration, public health, food inspection and plant and animal health.

**Hon. John Buchanan:** Honourable senators, I rise to support Bill S-22. I also rise to agree with just about everything that my fellow Nova Scotian, Senator Carstairs, said.

The substance of this bill has been on the agenda of the Canada-U.S. Parliamentary Association for at least the last three years. I led the discussion at our annual meeting two years ago, held in Cape Breton, which also included the Open Skies agreement of 1995.

Given the fact that over 80 U.S. destinations can now be reached from many Canadian cities, preclearance is very important, because most of these destinations in the U.S. do not have customs and immigration inspection. Therefore, passengers from Canada going to many of these destinations must stop at an intermediate airport for customs clearance.

(1500)

The Canada-U.S. Parliamentary Association endorsed reciprocal legislation which would enable open skies and the 1974 air transport agreement to work more efficiently for both countries. We have had preclearance, as Senator Carstairs said, since 1952, and it is now in effect in Vancouver, Edmonton, Calgary, Winnipeg, Toronto, Ottawa and Montreal. I draw to the attention of the Leader of the Government in the Senate that one area in Canada does not have preclearance — Atlantic Canada. However, as a result of this legislation, we may soon have preclearance at Halifax International Airport to serve Atlantic Canada.

This legislation is necessary because Canadian law has changed since 1974. In particular, the 1982 Charter of Rights and Freedoms has granted Canadians new, individual rights, and the 1974 agreement must now be updated to conform.

U.S. officials performing preclearance will be subject to the Charter of Rights and Freedoms, the Canadian Bill of Rights, and the Canadian Human Rights Act, as noted in the preamble to this bill and in clause 6(1) of the bill. Criminal law under the act must be administered by Canadian authorities according to clause 6(2).

Canadian law both provides the structure for the preclearance regime under this preclearance legislation and directs its

enforcement. It does this basically in three ways: by delineating the application of U.S. law and excluding U.S. criminal law; by ensuring that in the case of a conflict of laws, Canadian law overrides U.S. law; and by ensuring that all travellers are protected by the Canadian Charter of Rights and Freedoms. These are items that we discussed on at least three occasions in the Canada-U.S. Parliamentary Association.

Honourable senators, the administration of U.S. law is limited to those laws dealing with customs, immigration, public health, food inspection, and plant and animal health. Only the provisions of those laws that are directly related to the admission of travellers and the importation of goods to the U.S. would be administered.

These border control laws can only be applied in preclearance areas or in-transit areas which would be designated by the Government of Canada. Canadian law underlies the entire regime. The act contains various provisions that ensure the supremacy of Canadian law and the exclusivity of Canadian criminal law.

In relation to travellers, a traveller would have the right to leave a preclearance area without going to the U.S.A., unless the traveller is informed that the preclearance officer suspects that the traveller has provided a false or deceptive declaration, or has obstructed the officer in the performance of his or her duties. A traveller who is detained for frisking or strip search would have the right to have the decision reviewed by a senior officer, and more important, Canadian officers would conduct strip searches.

Preclearance officers would be given the authority under the act to order anyone found in a preclearance area to report to him or her or leave the area. A frisk search of a traveller would be conducted in the following circumstances: if the officer suspects that the person is carrying anything that would present a danger to human life or safety, and/or if the officer suspects that the traveller is carrying anything that would prove he or she gave a false or deceptive answer to the officer's questions. In such circumstances the officer could refuse to preclear the traveller into the U.S.

In relation to goods, a preclearance officer would be given the authority under the act to examine goods submitted for preclearance; detain any goods that have been submitted for preclearance until the officer is satisfied the goods have been dealt with in accordance with the act; seize any goods that the officer believes on reasonable grounds relate to or provide evidence of a traveller's false or deceptive declaration; submit for forfeiture goods lawfully seized; and examine a means of transportation subject to preclearance.

With this bill, Canada and the United States will be joining many other countries that have already legislated preclearance laws. The bill clarifies the legal status of U.S. preclearance at Canadian airports, including Halifax airport in the very near future; offers legal protection for people travelling from Canada to the U.S.; protects our rights under Canadian protection laws; outlines the responsibility of U.S. officials and Canadian authorities; and ensures that Canadian laws override U.S. laws in the event of conflict.



Honourable senators, the bill will now allow for in-transit clearance, which we discussed also at length in the Canada-U.S. Parliamentary Association. Passengers from Europe and Asia will not have to pass through Canadian inspection and U.S. inspection but will be able to go directly to the U.S. preclearance inspection process. We have at present in-transit preclearance in Vancouver, which will be extended to other countries.

I support this bill, honourable senators, as I did the subject when it was under discussion by the association.

Motion agreed to and bill read second time.

#### REFERRED TO COMMITTEE

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the third time?

On motion of Senator Carstairs, bill referred to the Standing Senate Committee on Foreign Affairs.

### COMPETITION ACT

BILL TO AMEND—MOTION TO CONCUR WITH MESSAGE FROM  
COMMONS REFERRED TO BANKING, TRADE AND  
COMMERCE COMMITTEE

On the Order:

Resuming debate on the motion of the Honourable Senator Graham, P.C., seconded by the Honourable Senator Carstairs:

That the Senate concur in the amendments made by the House of Commons to its amendments to Bill C-20, An Act to amend the Competition Act and to make consequential and related amendments to other Acts; and

That a Message be sent to the House of Commons to acquaint that House accordingly.

**Hon. John Lynch-Staunton (Leader of the Opposition):** Honourable senators, my participation in this debate is motivated not so much by Bill C-20 itself, as it is by the reaction of the Minister of Industry following the unanimous decision — and I stress the word “unanimous” — of the Senate on December 10 to send the bill back to the House of Commons with an amendment. Instead of limiting his comments to understandable annoyance at not having Bill C-20 receive Royal Assent before the Christmas break, the minister issued a press release the following day, which is riddled with inaccuracies and misleading statements. The tenor of the press release is in its heading, which reads as follows: “Minister Manley Disappointed Over Tory Senators Scuttling of Bill That’s Designed To Protect Canadian Consumers.”

The dictionary defines “scuttling” as “scrapping or abandoning.” That Tory senators be accused of something they did not do is not only false, but is the sort of rhetoric one should not expect from a senior minister of the Crown, unless he wishes

to be identified with the anti-Senate element in the Official Opposition and its excessive rantings.

The press release says that the bill was denied passage by Progressive Conservative members of the Senate. This is absolutely false. It was returned to the House of Commons with an amendment, with the unanimous consent of all members present, Liberal, Conservative and Independent. The minister then asked, and I quote, “Whose public interest are the Tory senators serving?” The not-too-subtle implication is clear, totally unfounded and unfair, and even malicious.

On December 16, I wrote a letter to the minister in which I outlined the reasons behind the amendment and included a copy of the Canadian Bar Association brief, the observations of the Standing Senate Committee on Banking, Trade and Commerce, and the relevant extracts from our *Debates of the Senate*. This letter and a copy of the press release was sent to all members of the Senate. I ended the letter as follows:

I trust that after reading this documentation, you will not hesitate to have a corrected press release prepared and given the same distribution as the erroneous one of December 11.

I have yet to receive even an acknowledgement of the letter, and I am not aware of a correction having been issued.

Had the minister rejected our amendment outright and reintroduced his original one, his testiness, however ill-founded, might be more understandable. In fact, what is before us is a revised amendment which, as stated by the Leader of the Government in the Senate yesterday:

...restored the substance of the whistle-blowing provisions but made significant changes to address concerns that had been expressed to witnesses who appeared before the Standing Senate Committee on Banking, Trade and Commerce and by members of this chamber.

On the one hand, we on this side are unfairly condemned for denying passage of a bill, which was not the case. We were singled out also for removing, “some teeth from the Bill by deleting the amendment to protect ‘whistle-blowers.’” As I said earlier, this was a decision of all senators present.

Now we have an amendment which, in Senator Graham’s own words, contains “significant changes” from the government’s original one to meet concerns expressed in committee and in this chamber. What all this means is that the minister should be grateful to the Senate for having improved his bill. Instead, he authorized a nasty and ill-tempered statement, replete with misinformation, misrepresentation, and offensive innuendo. The entire Senate, not just this side, has been put under a cloud as a result.

Had the minister issued at least a correction, if not an apology, I would not have spoken as I have today. I do, however, think it is important that the position taken by the Senate be set out accurately and, since the Minister of Industry has yet to publicly recognize it, at least it will appear in the Senate Hansard.



By accepting a number of significant recommendations from the Senate, the minister has the answer to his question:

Whose public interest are the Tory senators serving?

It is the same as his. I trust that he will confirm this when he appears before the Banking Committee during its examination of Bill C-20.

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I thank Senator Lynch-Staunton for setting the record straight on Bill C-20. I should like to move the following motion: I move:

That the motion, together with the message from the House of Commons, on the same subject dated February 5, 1999, be referred to the Standing Senate Committee on Banking, Trade and Commerce for consideration and report.

**The Hon. the Speaker:** Honourable senators, is it your pleasure to adopt the motion?

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Reference was made, honourable senators, by Senator Lynch-Staunton to some correspondence and a press release from the minister. It is important for not only the Banking Committee members but each member of this House because our decision on Bill C-20, when we passed the amendment that was sent to the other place, was done so unanimously. That press release from the minister speaks to all of us. I would ask that it be tabled.

**Senator Lynch-Staunton:** I did send copies to all honourable senators. I would be happy, with consent, to table both my letter and a copy of the press release.

**The Hon. the Speaker:** Is it the wish of honourable senators that it be tabled?

**Hon. Senators:** Agreed.

**The Hon. the Speaker:** If no other honourable senator wishes to debate further, I will then proceed with the question.

Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to.

## A BILL TO CHANGE THE NAME OF THE ELECTORAL DISTRICT OF STORMONT—DUNDAS

### THIRD READING

**Hon. Bill Rompkey** moved the third reading of Bill C-445, to change the name of the electoral district of Stormont—Dundas.

Motion agreed to and bill read third time and passed.

[ Senator Lynch-Staunton ]

[Translation]

## A BILL TO CHANGE THE NAME OF THE ELECTORAL DISTRICT OF SACKVILLE—EASTERN SHORE

### THIRD READING

**Hon. Gerald Comeau** moved the third reading of Bill C-464, to change the name of the electoral district of Sackville—Eastern Shore.

Motion agreed to and bill read third time and passed.

[English]

## ACCESS TO INFORMATION ACT

### BILL TO AMEND—SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Maheu, seconded by the Honourable Senator Ferretti Barth, for the second reading of Bill C-208, to amend the Access to Information Act.

**Hon. Mabel M. DeWare:** Honourable senators, I rise to speak to and support Bill C-208, which proposes to strengthen the Access to Information Act.

I am sure we all agree that this act is an important tool of modern democracy. The act helps Canadians participate more effectively in their governments. It also enables them to better hold their elected representatives to account. However, there has been many well-documented cases where the access to information rights of Canadians have been blatantly denied and that is because the current act lacks teeth. Right now, the government and its officials risk nothing more than a slap on the wrist if they wilfully suppress information.

This point was made very forcefully by Canada's Information Commissioner in his last two annual reports, and recalled to us last week by our colleague, the Honourable Senator Maheu.

In discussing Bill C-208, we should keep in mind the purpose of the Access to Information Act. As stated in subsection 2(1) of the statute, the act aims to, and I quote:

...provide a right of access to information and public records under the control of a government institution in accordance with the principles that government information should be available to the public, that necessary exemptions to the right of access should be limited and specific, and that decisions on the disclosure of government information should be reviewed independently of government.

The bill before us is certainly loyal to this purpose. It clearly reinforces the principles that government information should be available to Canadians. It does so by amending a section of the act which is crucial to its proper administration, the section that contains the few teeth it does have.

The Office of Information Commissioner of Canada was created to serve a watchdog function. The commissioner's role is to investigate complaints from people who believe they have been denied their rights under the act. Thus, section 67 made it an offence to obstruct the commissioner, or any person acting on behalf or under the direction of the commissioner, in the performance of the commissioner's duties and functions. It provides that this offence is punishable on summary conviction by a fine of up to \$1,000.

However, \$1,000 is no great sum, especially these days; therefore, the fine is not much of a deterrent. In any event, it is pretty hard to find cases where even this small penalty has been imposed. The term "obstruct" is so vague as to be almost meaningless, and there is no mention of intent.

• (1520)

This, then, is the section that Bill C-208 seeks to amend. It would add to section 67 a subsection making it a criminal offence to alter, destroy, mutilate, shred, falsify or conceal records or documents in order to deny a right of access under the act. It would also make it a criminal offence to order any person to restrict access to any documents by any of these means. I believe that this amendment will give the Access to Information Act some of the teeth that it so desperately needs and it is evident that all Canadians will benefit from it.

This amendment also faithfully reflects the recommendations made by the Information Commissioner. As the senator noted last week, the commissioner developed that recommendation as a result of allegations of document tampering and destruction raised by the Krever commission and the Somalia inquiry. As I recall, similar concerns were also raised during the Pearson inquiry and in connection with the Airbus affair.

Hopefully, however, the passage of Bill C-208 will help to prevent further such occurrences as the inquiry into events, for instance, surrounding the Vancouver APEC summit unfolds.

Honourable senators, while I am in favour of the bill, I have one concern that I wish to put on the record. That concern does not relate to the bill. Rather, it relates to a certain impression that I feel has been conveyed during parliamentary debate. In discussing offences under the amended act, many references were made in the other place to public servants, bureaucrats and senior managers, among others. I wish to make it clear that I do not view this bill as attempting to make a scapegoat out of the hard-working employees of government departments, agencies and Crown corporations.

While all of us are public servants in the truest sense of the term, I feel it is only fair to point out that Bill C-208 will apply equally to elected officials who have instructed someone to alter or conceal a document. With the passage of Bill C-208, those acts will also be an indictable offence. Therefore, I believe that this amendment speaks to the concept of ministerial responsibility.

In conclusion, I wish to state clearly that my colleagues on this side of the chamber support Bill C-208 in its entirety. I commend

the bill's sponsor for introducing such necessary legislation. I am also pleased to note that all parties in the other place supported it.

I am rather puzzled why it was left to a Liberal backbencher to introduce a bill to implement repeated recommendations from the Information Commissioner. Surely, Canadians would feel more assured if this initiative had been put forward by the government, after all, the Red Book promised that openness would be the watchdog of the Liberal government. I hope we can look forward to further amendments that expand the scope of this act to include a wider range of documents and to address other concerns raised by the Information Commissioner.

Motion agreed to and bill read second time.

REFERRED TO COMMITTEE

**The Hon. the Speaker:** When shall this bill be read a third time?

On motion of Senator Maheu, bill referred to the Standing Senate Committee on Social Affairs, Science and Technology.

POINT OF ORDER

**Hon. Lowell Murray:** Honourable senators, I have asked that Item No. 3 stand. However, while I have the floor, I should like to say that I am getting old and cranky and it is getting late.

I simply wish once more to make an appeal to honourable senators that, when they make an exception to the rule about a bill, especially if they make an exception to the rule in order to send a bill to the Standing Senate Committee on Social Affairs, Science and Technology that would not ordinarily be sent to that committee, some advance notice or consultation be given to the chairman and members of the committee. That would be warmly appreciated.

## UNITED NATIONS

INTERNATIONAL COVENANT ON ECONOMIC, SOCIAL AND  
CULTURAL RIGHTS—RECENT RESPONSES TO QUESTIONS FROM  
COMMITTEE—INQUIRY—DEBATE ADJOURNED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Kinsella calling the attention of the Senate to the Responses to the Supplementary Questions emitted by the United Nations Committee on Economic, Social and Cultural Rights on Canada's Third Report on the International Covenant on Economic, Social and Cultural Rights.—(*Honourable Senator DeWare*).

**Hon. Mabel M. DeWare:** Honourable senators, I rise today to resume the debate on the inquiry called by my colleague Senator Kinsella, on November 24. He wishes to call the attention of the this chamber to Canada's level of compliance with the International Covenant on Economic, Social and Cultural Rights.



To freshen our memories and to put my remarks in context, I should like to provide some brief background on the covenant. This international agreement, along with the Universal Declaration of Human Rights, is one of five instruments that, together, form the International Bill of Human Rights. It was adopted by the UN General Assembly in December 1966 and came into force in January 1976. Canada signed it in August of that year.

While the agreement is non-binding, compliance with it during the next 10 years was still disappointing. That is because some of its terms needed clarification. It was not being monitored effectively. That changed in 1986 when the United Nations Committee on Economic, Social and Cultural Rights was created. This group of independent human rights experts has applied itself with energy to the task of ensuring that member countries live up to the promises they made in signing the covenant.

The UN committee has required those countries, including Canada, to submit periodic reports outlining their level of compliance. In 1998, Canada submitted its third such report. Then, when the committee first looked at the report, it asked Canada to answer 81 supplementary questions. During the last week of November, the committee met in Geneva to consider Canada's report as well as the responses to those supplementary questions. On December 4, the committee adopted its concluding observations on Canada's third report. It is these that I should like to talk about today.

The committee's observations regarding the current state of certain areas of federal jurisdiction should serve as a wake-up call to a government that has become complacent.

We in this chamber are proud of the fact that the United Nations has, for five years now, rated Canada as the best place in the world to live. That is because we have ranked at the top of the UN development program's Human Development Index with measures which measure life expectancy, education levels and per capita income.

As the committee noted, this means that Canada has the capacity to achieve a high level of respect for economic, social and cultural rights. However, that rating does not tell the whole story. We should be ashamed that the UN Human Poverty Index ranks Canada 10th on the list of industrialized countries. Therefore, there is an obvious gap between what we could do and what we have been doing. Simply put, honourable senators, we are not fooling anybody, least of all the United Nations. Canada's failure to protect the economic, social and cultural rights of its people is, quite frankly, a source of international embarrassment.

•(1:530)

In its concluding observations on Canada's third report, the UN Committee on Economic, Social and Cultural Rights detailed no fewer than 25 principal subjects of concern. Among those are the replacement of the Canada Assistance Plan by the Canadian Health and Social Transfer, and unemployment insurance restrictions. It is these two examples on which I wish to focus today, because they clearly show that not only has Canada not

made any progress in implementing covenant rights here, but it has actually been going backward.

The committee points out that the replacement of CAP by the CHST has made it harder for disadvantaged groups to enjoy the rights that Canada promised them in signing the International Covenant on Economic, Social and Cultural Rights. Among other things, CAP set national standards for social welfare and guaranteed the right to an adequate standard of living. In contrast, under the CHST, those features were eliminated and cash transfers to the provinces for social assistance were slashed.

As a result, social assistance rates for people were cut in several provinces, increasing already-high levels of homelessness — an example of which we saw yesterday — and hunger. In the last five years, the committee notes, the number of tenants spending more than 50 per cent of their income on rent has increased by 43 per cent. Between 1989 and 1997, the number of food banks in Canada almost doubled. Unfortunately, however, they can still meet only a fraction of the increased needs of the poor.

The UN committee also points out that these CHST-related cutbacks have had a particularly harsh impact on women. Single women are, after all, the majority of the poor, the majority of adults receiving social assistance, and the majority among users of social programs. It is also concerned that these cutbacks have helped create additional obstacles to women escaping domestic violence. These are things that we should keep in mind as Canada prepares to celebrate International Women's Day on March 8.

As if these problems were not enough, the government has also squeezed the unemployment insurance system — or Employment Insurance, as the government likes to call it now. A growing number of working Canadians must struggle to keep from falling into the welfare trap because they are not getting the income protection that they are paying for due to restrictions on unemployment insurance.

The UN committee is concerned that successive restrictions to unemployment insurance benefits have caused a dramatic drop in the proportion of unemployed workers receiving benefits to about half of previous coverage, in the lowering of benefit rates, and in the reduction in the length of time for which benefits are paid. Fewer lower-income families are eligible for any benefits at all, while part-time, young, marginal, temporary and seasonal workers are frequently denied benefits. This is particularly apparent in the Atlantic region, where I come from.

Honourable senators, as the Canadian Labour Congress found in a recently released study, Employment Insurance today offers fewer benefits to fewer of the unemployed. In 1997, only 36 per cent of the unemployed collected benefits, down from 56 per cent in 1993. Put another way, of 1.4 million Canadians who were out of work in 1997, only 500,000 were able to qualify.

Women have been especially hard hit by the restrictions, with only 32 per cent of jobless women getting benefits last year. One reason for this is the new rules for part-time workers. More hours of work are needed to get benefits, often creating a bar that those in part-time or temporary jobs simply cannot pass.



The jobless are typically out of work for a longer period of time than in the past. Yet, benefits are now exhausted much earlier. While government racks up premium surpluses in the \$6-billion range each and every year, Canadians have only one chance in three of collecting, should they lose their jobs.

Honourable senators, these are two areas which were of major concern to the UN Committee on Economic, Social and Cultural Rights. I hope they help us to better understand Canada's obligations under the international covenant and how we have failed to live up to them.

Based on Canada's third report and its responses to the supplementary questions, the committee has again urged Canada to expand protection in human rights legislation to include social and economic rights and to protect poor people in all jurisdictions from discrimination because of social and economic status.

Bill S-11, introduced by my colleague the Honourable Senator Cohen, proposes to do just that at the federal level. I applaud the good sense and compassion of all members in this chamber in passing such an important piece of legislation. I pray that the members of the other place will be overcome by good sense during their consideration of it.

On motion of Senator LeBreton, debate adjourned.

[Translation]

## DEVELOPING COUNTRIES

### STATUS OF EDUCATION AND HEALTH IN YOUNG GIRLS AND WOMEN—INQUIRY—DEBATE ADJOURNED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Losier-Cool, calling the attention of the Senate to population, education and health, particularly for young girls and women in many developing countries.—  
(Honourable Senator Pépin).

**Hon. Lucie Pépin:** Honourable senators, today I wish to respond to the comments from Senator Rose-Marie Losier-Cool and Senator Andreychuk with respect to the study on the education and health of young girls and women that this house is preparing to carry out.

My contribution today will focus mainly on the impact of AIDS on the health and education of young girls and women, especially in developing countries. Senator Andreychuk has given us the disturbing figures on the economic impact of AIDS in sub-Saharan Africa. I think that the human cost of this epidemic is a subject that deserves further consideration. Most of the examples I will give you come from southern Africa, the part of the world that has been hit the hardest so far, but my comments will also be relevant to the situation of young girls and women in other parts of the world, including North America. I think that we should learn from the devastation experienced in

southern Africa because of AIDS, if we want the young girls and women in that region and others to be safe and to be able to survive and to achieve their full potential.

Honourable senators, on December 1, Canada joined the international community in celebrating World AIDS Day. This annual event is an occasion for countries to reflect on what has been done during the previous year to fight the HIV/AIDS pandemic worldwide. Sadly, all too often, our prevention and treatment efforts are largely cancelled out by the suffering, discrimination and death toll associated with this disease. Last year was no exception.

In 1998 alone, and in sub-Saharan Africa alone, the estimated number of deaths from AIDS is 2 million, and the number of HIV infections, 4 million. Since the start of the epidemic, 83 per cent of deaths attributed to AIDS have been in this region, although it accounts for only about 10 per cent of the world population. Of the 11 million dead, one quarter were children.

In the countries hardest hit — Botswana, Namibia, Swaziland and Zimbabwe — between 20 and 25 per cent of the adult population is HIV-positive or has AIDS. This represents at least one-fifth of the population between the ages of 15 and 49 years. As Dr. Peter Piot, Executive Director of UNAIDS, stated at the launch last December of the 1998 world report on AIDS, sub-Saharan Africa is facing a human disaster of unprecedented proportions, and the extent of the devastation is greater than that of any of the droughts or other natural catastrophes that have occurred in the past.

Such figures speak for themselves. The entire population is concerned — men, women, adolescents, children, parents, grandparents. A number of studies carried out in Africa and elsewhere, however, indicate that the ones most at risk of a new infection are youth aged 14 to 24, girls and young women in particular.

[English]

•(1540)

Young women's greater risk for HIV infection has both biological and socio-economic roots. Compared with that of males, the female reproductive tract is more susceptible to infection with HIV and other sexually transmitted infections. The reproductive tract is particularly fragile in young girls. Compounding the biological vulnerability of girls are social realities, including women's lower social status and unequal gender relations. As a result, young women have less control over their lives and bodies than their male counterparts, and boys and young men are often encouraged, tacitly or openly, to adopt aggressive sexual and personal behaviour.

[Translation]

According to the statistics, girls and young women are often infected at a younger age than boys. In many African countries, more than three times as many girls as boys of the same age are infected. Many girls in sub-Saharan Africa begin having sexual relations at an early age and often, honourable senators, against their will. In a survey of a group of young women in Malawi,

more than half reported having been forced by their male partners. Another study in Nigeria reported more than 20 per cent had been forced into sex.

The difference in the ages of boys and girls contracting the infection indicates that adolescent girls often have older men as partners. We know that, when the epidemic started to spread, older men often chose very young sexual partners in the belief that they were not yet infected with HIV. Teachers, for example, with authority over them and older than them often force these young girls to have sex. Adolescent girls have little chance of finding a job that allows them to earn a living. Zambian researchers looking at adolescent sexuality have noted that, in some villages, the more serious the economic problems, the greater the number of young girls accepting payment for sex. The dependence of young women on older men for work, food, shelter and protection makes them extremely vulnerable to sexual abuse and exploitation. The result is unwanted pregnancies and infections from STDs and HIV. Once pregnant, these women are even more socially and economically vulnerable, because they are often forced to leave school and thereafter have to look after a child.

Honourable senators, the HIV infection has devastating effects that we are well aware of. There is no cure and people in most developing countries cannot afford the complex therapeutic cocktail that is so successful in prolonging the lives of persons with HIV or AIDS in North America. Part of the tragic nature of AIDS is that it does not affect only those who have the virus. It is usually women who have to shoulder the additional burden of caring for the members of their families and communities who have been infected with the virus, and it is also women who look after the young orphans, after their parents die. These additional responsibilities do not leave enough time for farm work or gainful employment. Their income goes down and their diet suffers.

It is estimated that when a family's principal income provider is HIV-positive, the household income diminishes by at least 50 per cent, and the money spent on "non-essential" needs such as education can go down by 75 per cent or more. When there are not enough resources to send children to school, young girls are kept at home and cannot get an education, since they are more likely to have to assume additional responsibilities related to caring for the sick at home.

Even in families where an effort is made to keep children in school, young people are sometimes rejected by their friends and even forced to quit school, because of the deeply rooted biases against HIV.

This, then, is the devastating impact of HIV on the less fortunate: Children in a family affected by this illness are forced, by circumstances or because of discrimination, to abandon their studies. The limited opportunities open to them make them even more vulnerable to economic and sexual exploitation, which increases their chances of becoming infected.

Honourable senators, I could spend the day giving you even more depressing statistics and scenarios to illustrate the extent to which the AIDS epidemic is sweeping Africa. Sadly, the numbers too often remain abstract concepts, and people feel there is nothing they can do to change them. However, it would be dangerous not to take them seriously, for 900 million young people — the most the world has ever seen — are now about to enter their adolescence and reproductive years. We cannot, through our failure to act, take away their chance for a future.

With no cure for AIDS, and no vaccine against it, and given the cost of the current treatment protocols, it is essential to take steps to raise people's awareness of AIDS and to prevent HIV infection. It is vital for young people to be fully informed before they become sexually active and to learn how to protect themselves. A thorough examination of the awareness programs carried out throughout the world by the World Health Organization and UNAIDS shows that sex education does not hasten or increase sexual activity, contrary to the fears of many parents and politicians. In fact, good quality programs help young people to delay becoming sexually active and to make responsible decisions to protect themselves when they do.

UNAIDS has demonstrated that the most effective programs are those which combine a number of characteristics: teaching which includes abstinence as well as safe sex practices; detailed information on the consequences of sexual activity, presented in clear and non-judgmental terms; encouragement to acquire practical knowledge in order to boost confidence; reinforcement of group values against risky behaviour.

For young girls and young women, practical knowledge and self-confidence are particularly important. However, to reduce women's greater vulnerability, long-term measures are needed to eliminate inequality between the sexes in legislation, in access to health care, in education, in social standards and in mentalities.

Experts the world over agree increasingly on one fact: People are more vulnerable to HIV and associated illnesses when their basic rights are violated. This close link between the protection of human rights and the fight against HIV was one of the great crusades of the late Jonathan Mann, who was tragically lost in the Swissair plane crash in Nova Scotia last September.

The rights to be recognized and protected urgently include:

- the right to research, receive and publish information on the prevention and treatment of HIV;

- the right to individual security and to protection against forced sexual relations, rape and other forms of exploitation;

- the right to health and to adequate and affordable health care services, including family planning, sexual education and reproductive health care, as protection against AIDS;

- the right to confidentiality and to be treated with respect by health and social service providers;



the right to be free from all forms of discrimination, including discrimination on the basis of sex, age, seropositivity and sexual orientation;

the right to education and to acquire the skills, self-confidence and knowledge necessary to enter the labour market and achieve one's full potential;

the right to work and to be paid enough to live in conditions of basic human dignity;

the right to equality under the law and, for women in particular, the right to own, inherit and transfer landed property and other income producing property;

the right, for children and youth, to grow up in a supportive environment;

the right to take advantage of scientific advances.

These rights have already received international recognition in treaties that Canada has signed, including the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, the Convention on the Elimination of All Forms of Discrimination against Women and the Convention on the Rights of the Child.

[English]

Honourable senators, I see clearly the many linkages between the formation and protection of human rights, winning the war against AIDS, and improving the health and educational status of girls and women in developing countries.

•(1550)

I hope that we in this chamber will do all we can to ensure that these linkages are built into development assistance policies and programming. It would be a fitting way to mark the fiftieth anniversary of the Universal Declaration of Human Rights, and to demonstrate its continued relevance in a new millennium.

On motion of Senator Wilson, debate adjourned.

[Translation]

## CHILD POVERTY IN CANADA

### INQUIRY

**Hon. Thérèse Lavoie-Roux** rose pursuant to notice of Tuesday, February 9, 1999:

That she will call the attention of the Senate to the state of poverty in Canada with particular emphasis on child poverty, the International Human Rights Covenants signed by Canada, effecting the difficult transition from welfare to work and the effect that social assistance cuts across Canada have had on the poor with the hope that, through our

discussions, recommendations as to methods for alleviating poverty may emerge.

She said: Honourable senators, today I want to speak to you — this is not the first time and I hope I will not have to do it too often before I retire — about poverty in Canada, which is a major social issue that stirs everyone's compassion.

Poverty can take many forms. We all have, in our heads and in our hearts, mental images of poor people. It can be a depressed person queuing up at the employment insurance office, a shivering child who is poorly dressed, teenagers begging on the street, or that man who took refuge in front of an air vent, very close to the provincial legislature, and who was found dead one morning last week, and about whom Senator Cohen spoke with a great deal of emotion.

Just what is poverty? How do we measure it? Statistics Canada tells us there is no recognized definition of poverty in Canada. The fact that we do not even have an accepted common definition of poverty says a great deal about how little the federal government cares about this issue. From a statistical point of view, it is difficult to determine the number of poor people. Most of the measures used are based on one's income and thus take only one aspect into consideration. The most common measure, which is Statistics Canada's low-income cut-off figures, tells us about relative poverty. Low-income families are the worst off in Canada. I have a few figures from Statistics Canada and the National Council of Welfare.

[English]

In Canada, poverty is widespread. Some 17.9 per cent of Canadians are poor. That represents almost 5.3 million people, or one in six Canadians. For children, it is worse. One in every five children lives in poverty in our country.

Among industrialized countries, Canada has the world's second-highest rate of child poverty, the highest one being the United States. I ask, honourable senators, how can we tolerate such a phenomenon? It is not acceptable.

In 1989, the government made a commitment to eradicate child poverty by 2000. Since then, the number of poor children has actually increased by 58 per cent. The problem is most alarming.

In 1991, the Standing Senate Committee on Social Affairs, Science and Technology produced a report entitled, "Children in Poverty." We heard from many witnesses who confirmed the fact that child poverty cannot be viewed in isolation. Poor children are the sons and daughters of poor adults.

Witnesses spoke of the increased difficulty of low- and middle-income families in making ends meet, and that poverty is in part attributable to the declining economic conditions which families with children are facing. Contrary to prevailing beliefs, the majority of poor children live with both parents who are among the working poor, the unemployed, the underemployed, the sick and the disabled.



[Translation]

Let us take a few moments to look at the real income of a poor family. In 1996, a couple on welfare raising two children in Quebec had a total income of \$16,000, which included social assistance and additional benefits such as the national child benefit and the GST credit. Sixteen thousand dollars in all for four people, over 12 months, or \$44.12 a day. In Quebec, a family of four on social assistance must get by on \$44 a day. It is difficult to imagine people surviving on so little.

Many poor families manage to provide for their children, despite their poverty, but poor families run special risks. The mothers of poor families are twice as likely as other mothers to deliver premature and low-birth-weight infants who will die before the age of 30. Children of poor families have a shorter life expectancy than other children and are twice as likely to have chronic health problems. At school, children of low-income families are three times as likely as other children to repeat their year. Furthermore, the statistics on housing show that the number of poor families living in housing beyond their means increased by 68 per cent between 1990 and 1995. These figures show that some children are at a great disadvantage compared to others.

The Senate committee which addressed the issue of child poverty in the hope of finding solutions formulated 16 recommendations, but virtually none were followed up on. The committee recommended preventive measures that combined income support programs and services. It is both interesting and saddening to note that when the report was released, one child in six was living in poverty, and the figure now is one in five. We are losing ground, not gaining it. If it is true that a society's health and vigour are measured by the importance that society places on the well-being of its children, the fact that there are, at the present time, nearly 1.5 million poor children in Canada is not a good sign.

[English]

I have spoken about child poverty and low-income families. We also know that women are more at risk of being poor. Some 46.6 per cent of women who are unattached live in poverty compared with 33.9 per cent of men. Some 92 per cent of single mothers under the age of 25 live below the low-income cut-off line.

Seniors are also at risk. One in five Canadians over the age of 65 lives below the poverty line.

The incidence of poverty among aboriginal people is also a matter of great concern. We read about this during the Christmas holidays. It was alarming to read those statistics. In 1990, almost one-half of aboriginal people had less than \$10,000 in income — nearly double the rate for all Canadians.

People with disabilities also have incomes lower than those of the general population. Most Canadians who are disabled are also poor. Although the federal tax system provides some assistance in meeting extra costs incurred by disabilities, such as services or items required for daily living, people with disabilities continue to be over represented in the poverty category.

Permit me to raise the question, honourable senators: What is our role in ensuring a society that is fair and just to all its citizens, including its children, its seniors, its native people, its women and its people with disabilities? How much do we want to help people living in poor conditions?

[Translation]

According to the GDP, or Gross Domestic Product, per capita, Canada is richer than all of the countries of Europe. Yet we spend a lower proportion of that GDP than the European countries on social security and other income support measures, employment insurance included.

France, Germany, the Netherlands and Sweden refuse to tolerate high poverty levels for families, and provide more employment and income support measures to help families raising children.

Everywhere in the world Canada is considered a safe and prosperous country. As Senator Kinsella will show, however, Canada's lack of effort to eliminate poverty is beginning to tarnish our international reputation.

Honourable senators, we live in a rich country with a high standard of living, yet we continue to tolerate the fact that millions of our fellow citizens live in poverty.

We spend hundreds of thousands of dollars on studies and reports on poverty that keep telling us who is at a financial disadvantage in our country and what the government could do to remedy the structural inequalities that perpetuate the cycle of poverty. And then we turn around and introduce policies that hurt low- and middle-income Canadians, ignoring everything the studies told us.

For instance, the number of social housing units is at its lowest since the turn of the century, while the number of homeless continues to climb. Food banks are no longer able to keep up with the demand from people unable to feed themselves or their children, and social assistance benefits are going down, not up.

Yesterday, on Parliament Hill, we were given a sad insight into the problems faced by the homeless and those with very low incomes.

Personally, I think that, too often, we turn our backs on the poor, we close our eyes to them and spend money — taxpayers' money — on projects that will never benefit those most in need of assistance.

I will refrain from giving examples of spending in the House of Commons or the Senate, which should be examined very closely. It must be kept in mind that every dollar spent that is not totally essential probably contributes to making the poor even poorer. This is why I think the Senate Standing Committee on Internal Economy, Budgets and Administration should be extremely strict and not permit spending that is not absolutely necessary.

The employment insurance fund has a surplus of \$20 million. Would it not make sense to spend some of this money on Canadians by offering affordable and stable housing, accessible child care, career training, relevant placement services and sufficient financial help? Would it not make sense to help those with the greatest needs?

[English]

The matter of social cohesion in Canada, which is presently under study by the Standing Senate Committee on Social Affairs, Science and Technology, Chaired by Senator Murray, often touches on the values of trust and reciprocity. I ask honourable senators to consider what government is doing to instill a feeling of trust in our country. We must set an example as leaders by embracing policies which are fair to all Canadians and by listening to the needs of our citizens.

On Tuesday last, the Social Affairs Committee heard from a group, The Society We Want, which surveyed 3,000 Canadians on societal values, values which permeated through the public discussion they organized, and primary among them was a strong sense of compassion. Canadians, we are told, value compassion, and we as leaders must hold true to that value since we ultimately represent our people and what they value.

Honourable senators, as I said when I first rose to speak today, poverty stirs compassion in each of us. Let us act with our conscience. Low-income people are suffering disproportionately in Canada, and they are depending on us, the federal government, to take measures to eliminate poverty in our country and ensure that the basic needs of all Canadians are being met.

In closing, I suggest that the Senate strike a committee on a non-partisan basis. There is no room for partisanship on issues that are this important. I look to the other side, and I see Senator Pearson, Senator Milne, Senator Cools, and I could name many others.

**Senator Taylor:** You are leaving us men out of this!

**Senator Lavoie-Roux:** And Senator Taylor and Senator Mahovlich. I am sure they share the same concerns. We could strike such a committee on a non-partisan basis.

I do not wish to get up again in this chamber and talk about poverty. I am tired of repeating statistic after statistic proving that people are poor. We must find ways to really attack the roots of the problem of poverty. I hope I can count on every one in this chamber to help set up this committee so that we can make progress on the road to elimination of poverty in our country.

**Hon. Norman K. Atkins:** Honourable senators, I wish to add my comments to those already made by my colleague Senator Lavoie-Roux. I fully support her suggestion of forming a joint Senate committee on poverty. I propose today to discuss two of the many issues that confront the poor in Canada. First, I will address some of the major obstacles which we as governments throw in the path of the poor, dealing specifically with the almost impossible transition from welfare to work. Second, I will speak

about the relationship between the financial industry in Canada, in particular the banks, and those who live at or below the poverty line.

Some may ask what we would know about poverty since we have jobs, security of tenure, and a pension plan. How could we advise public policy approaches to this subject? Frankly, I think we are well qualified to debate these issues. Those of you familiar with this subject or aware of the history of this place will remember the late Senator David Croll's work in this area. In 1968, the Special Senate Committee on Poverty was appointed to investigate and report upon all aspects of poverty in Canada, whether urban, rural, regional, or otherwise; to define and elucidate the problem of poverty in Canada; and to recommend appropriate action to ensure the establishment of a more effective structure of remedial measures. This committee, with Senator Croll as chair, spent over two years listening to Canadians and learning about poverty. Its report, "Poverty in Canada," tabled in 1971, revealed that many Canadians were living without what we would consider to be the necessities of life.

In 1991, the Standing Senate Committee on Social Affairs, Science and Technology did a study of child poverty. June, 1994, saw Senator Heath McQuarrie deliver a paper at the learned societies conference entitled "Poverty in Canada: A Vital Challenge."

More recently, Senator Erminie Cohen, my colleague from New Brunswick, has taken on this subject through the publication "Sounding the Alarm: Poverty in Canada." She also introduced a private member's bill, Bill S-11, which was passed by this house on June 9, 1998. This bill would add social condition — in other words, poverty — to the Canadian Human Rights Act as a prohibited ground of discrimination.

I spoke on this subject in the Senate in April of 1997 and believe it is appropriate to revisit it as we enter the third year of what has been declared by the United Nations as the International Decade for the Eradication of Poverty. In 1989, members in the other place voted unanimously to eliminate child poverty by the year 2000. Unfortunately, child poverty rates have risen to record highs in the intervening years. Because there are no poor children without poor parents, poverty at all levels has reached record proportions.

•(1610)

Who are the poor in Canada? They are people sometimes single, sometimes in families with single parents, and sometimes in families with both parents, and the aged in our society for whom mere existence is a struggle. They are numerous. They total 5.2 million Canadians. According to Statistics Canada, one person in six, lives in poverty. This is a growing segment of our population. Poverty has become increasingly significant among children and their families, particularly one-parent families, usually led by women. One in five Canadian children now lives in poverty. That is almost 2 million children who live a life concerned about where they are going to live — will they have clothes to wear, shoes on their feet, or food to eat? These matters should not be a concern for children growing up in Canada.



Since the late 1980s, the poverty rate for children has risen from 60 per cent across Canada, and in Ontario it has risen by 116 per cent. A study by Statistics Canada on income distribution in Canada indicates that those at the lower end of the income scale are slipping further back every year.

Honourable senators, the issue is complex. Obviously children are poor because their parents are poor. Lack of full-time employment, reductions in social benefits, cutbacks in unemployment insurance, and a continued rise in the cost of food, shelter and clothing continues the poverty cycle.

While the unemployment rate published by Statistics Canada has come down to 8.7 per cent in the last few months, a number still too high, we know that this is more a product of people giving up the search for work or exhausting their employment insurance benefits than the creation of full-time, meaningful jobs.

Part-time jobs in the service industries or contract jobs seem to have become the most popular method by which people are employed today. Unfortunately, these jobs are only part-time and, for the most part, on minimum wage. The inadequate minimum wage directly affects the groups in society which have come to be known as "the working poor." These low wages for part-time work also inhibit those on welfare from making the transition from welfare to work. Others living below the poverty line bounce back and forth between work, unemployment insurance and social assistance.

The most vulnerable of these groups are the single mothers who provide for themselves and their children through welfare. In the middle of this decade, 73 per cent of poor, single mothers received welfare income. We have created a whole class of women who are discriminated against through the way our economy has developed.

Honourable senators, as federal legislators what can we do to address these issues?

First, we must take a careful look at our income tax system. The minimum taxable income must be increased to help the working poor. It is ridiculous that people earning \$8,000 per year should be paying income tax.

We must revisit the way our social programs are both structured and administered. In order to do this, an attitudinal change on the part of the legislators and bureaucrats will have to take place. The poor in our society are not evil. They are not to be punished through the continuous reduction in benefits. For the large majority, it is not their fault they are poor. In fact, they would welcome the opportunity to have a meaningful job. They must be given hope — hope that if they venture into a retraining program and complete it successfully, there will be a job available in which they can use the skills they have been taught. They need assurance that, if they take part-time work, it will not result in a radical decline in the social assistance they receive. The efforts of the poor to get off welfare must be rewarded, not punished.

Honourable senators, it is impossible for people to learn new skills or export job opportunities when they are worried about where the next meal will come from or about an impending eviction notice. Basic needs must be met first. Basic needs encompass food, housing, heat, light, clothing, clean water, protection from violence and physical abuse.

Health care systems should recognize that those who are poor in our society need help with early childhood development, building self-esteem, furnishing emotional support, counselling for mental health as well as drug and alcohol abuse. In order to take advantage of training programs, the poor must have access to child care and be given income supplements to offset work-related costs such as transportation.

Most of us in this chamber know that one of the main keys to economic prosperity is a good education. We must work together as governments to ensure that the opportunity to upgrade skills and academic qualifications is given to the poor. As well, they must be given the tools to access educational opportunities. While I do not have time to go into it in detail today, I hope other senators will.

We must find the funds needed to allow the poor in our society to access post-secondary education. Governments, through income-tested grants, not loans, should make funds available to allow those at the lowest end of our economic scale, but who have the academic qualifications, to continue their education through community colleges or universities.

We are now entering an era of budgetary surplus. Surely the obsession with balancing the budget, especially on the backs of those who can least afford it, can now give way to addressing the needs of the poor in our society. If these issues are to be properly addressed, it will require a substantial commitment in resources by all levels of government.

In 1988, the Ontario government commissioned a review of its social assistance programs. The result was a report entitled "Transitions," which, in its 624 pages, addresses in detail the movement from welfare to work. The recommendations of this report have never been implemented on the grounds that they are too costly. I believe the time has come for all governments to come together in common cause with poverty advocacy groups to work out solutions to the poverty cycle. They could do worse than use this study by Judge George Thomson as a basis.

Honourable senators, I wish to shift gears for a moment now and deal particularly with the subject of access to financial institutions by the poor in our society. This is a matter which the MacKay Task Force reviewing Canadian financial institutions addressed at some length. As well, our Senate Banking Committee, in its review of the recommendations of the task force, heard from the leading poverty groups and from the Canadian Bankers Association on this subject.

The MacKay Task Force took the position that it is essential for all Canadians to have access to basic banking services and products. The task force reported that the federal government has been working with the banks on the matter, but the major barriers



preventing further progress in achieving access to basic banking services are attitudinal and cultural. In other words, while the management of our major banks is sympathetic to the plight of the poor to access services, this sympathy has not trickled down to the bank branches themselves.

I believe if and when Senator Cohen's bill, Bill S-11, is enacted into law, placing social condition within the Human Rights Act, we will have moved considerably forward in resolving this problem for the poor in Canada.

I agree with the recommendations of the MacKay Task Force report that governments should make it easier for government cheques to be cashed without a hold being put on the funds. As well, the recommendation regarding training of bank personnel should be implemented so that the poor in our society will be welcomed in our financial institutions rather than scorned.

Honourable senators, alleviating poverty in Canada will require the concerted effort of all governments, industry and interested groups. It will not happen overnight, but it is time to set new goals, goals that are attainable in the short term, goals that will give hope to those who feel helpless in the social condition in which they find themselves.

Honourable senators, I look forward to hearing other interventions on the subject and the kind of positive recommendations that I know can be made in the hope that we can find a solution that will address this terrible plight of our society.

•(1620)

**Hon. John B. Stewart:** Honourable senators, would Senator Atkins deal with two questions?

**Senator Atkins:** Certainly.

**Senator Stewart:** I will ask them together because I know his memory is good.

We hear much these days about the terms of the social union in Canada, and we have seen how difficult it is to deal with the existing social programs. If, for example, the Parliament of Canada were to enact legislation relative to the poverty questions which he has raised, would we be again accused of intervening surreptitiously in provincial jurisdiction? Alternatively, would the provincial governments say, "Send money and we will spend it as we wish"? That real, practical problem exists. Can Senator Atkins proposed a solution?

The second question refers to the problem of taxation, to which Senator Atkins referred. It is a long time ago but, as an undergraduate, I was taught that it was desirable not to exclude classes of persons or, as they would say in the old times, the "people below" from taxation, because participating in taxation meant that there was an involvement in national finance. I realize that there are arguments on the other side, but assuming that is a good argument, how do we get around it? Will we divide the population officially, in a sense, into the haves and the have-nots? Surely that is not desirable.

Then there is the question of the taxation of the "people above." Presumably their taxes will need to be increased unless, as Senator Lavoie-Roux proposed, we can cut the budget of the House of Commons and other such organizations.

Two years ago I asked the Minister of Finance how much discretion he had with regard to taxation and he said that, in so far as personal income tax is concerned, the bottom line must be virtually the same as that in the United States but that you may reach it in a different way, and cited as an example the costs for Medicare. He said that it must be virtually the same, otherwise the prevailing perception that taxes in the United States are lower than those in Canada is likely to increase the brain flow away from Canada into the United States.

My first question relates to the question of jurisdiction and my second question concerns the problem of excluding people from the ordinary population from the obligations of the ordinary citizen to pay taxes. Connected with that is the problem that, under the free trade agreement we do not have the kind of independence we formerly had in so far as either personal or corporate taxation is concerned.

**Senator Atkins:** I am not an expert on taxes and taxation, however, I do not know how you avoid, in this day and age, separating the poor from those who are not poor. It seems to me that the time has come when we must recognize that there are people, who are in the kind of circumstances that I describe, who must be relieved from their tax requirement. I still think that an income of \$8,000 is just too low.

In response to the honourable senator's first question, it is a matter of negotiating and prioritizing the responsibilities that we have within governments; not just the federal government but the provincial government and possibly even in the municipalities. If you put the burden on the provinces, where they have the jurisdiction to address this problem, they will ask for more money. That is a natural course.

However, this is now a broader issue. The federal government and the provincial governments must sit down and discuss the reallocation of the responsibilities between the different governments. Poverty must be one of the major issues on the agenda.

**Senator Stewart:** I thank Senator Atkins for that answer. He disappointed me by failing to remember one of my questions.

I am asking these questions because I believe the problem raised by Senators Lavoie-Roux and Atkins is a real problem, and I am attempting to see if we can remove some of the obstacles to the achievement of the end which we all accept, that is, the problem of taxation in certain categories in Canada being too high compared to those of our neighbour. Senator Atkins said there would need to be more money and my question is: Where will it come from?

If Minister Martin is right that, on the bottom line, personal income taxation in Canada and in the U.S. must be virtually the same, at least for certain categories of people who are highly

mobile, that option appears not to be available. For certain industries — perhaps not a gold mine or an oil well — which can decide to build its new plant in Ohio, again, the corporation tax is bracketed by U.S. taxes. As well, we have the climate problem which tends to run up costs here in Canada.

Has the honourable senator wrestled with this problem of where the “more money” to which he referred will come from? If he says no, I will not be disappointed because the whole matter is very complicated and it will take a fair amount of ratiocination by many senators to come even close to an answer.

**Senator Atkins:** The answer is no, although I believe that there is an opportunity, in addressing the whole question of social priorities, for poverty to be part of that negotiation and discussion. It may be a question of resetting our spending priorities.

[Translation]

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, I would like to thank Senator Lavoie-Roux, who has called the attention of the Senate to poverty in Canada, and in particular child poverty, and to the international human rights pacts signed by Canada.

[English]

I will digress from my notes because I am intrigued by the debate Senator Stewart has opened up, and I will focus for a moment on the question of poverty and money in the system.

Honourable senators, poverty is a scourge upon the nation. Poverty is a scourge upon any society. I believe we all agree with that.

In dealing with poverty, we must touch on a large number of social areas, whether it be housing, health, social security, or even education.

I should like to speak to the subject of education for a moment. Many feel that we are in a situation of crisis in Canada in terms of accessibility, with the tremendous increase in the cost, particularly of post-secondary education. What troubles me is that, as a country, we have put a huge amount of money into post-secondary education and, yet, we have students incurring debt of gigantic proportion.

Canadians put in a tremendous amount of money into social security, as we do into health. Yet, we seem to be faced with a crisis in the social services and health field. It seems to me that there is something radically wrong with the way we are spending the significant resources that we are applying to those social areas.

If we compare our percentage of gross national product with that of other countries, it seems to me that we should not have the degree of problems that we do.

I was reading with some interest the debate on Bill S-11 in the other place. Some Reform members argued that what we need are more jobs. Their solution is to lower the unemployment rate.

Honourable senators, examine those countries that have a high employment participation rate; in other words, those countries which have a low unemployment rate. Take our friends to the south. Have we not seen poverty with our own eyes as we visit Detroit, Chicago or New York? Have we not seen homelessness, the street people and so on?

It seems to me that that is *prima facie* evidence that the response to the issue of poverty is complex. Simply saying that we need more jobs, while we all wish to lower the unemployment rate, may not resolve the crisis of poverty.

Honourable senators, we have zero tolerance for many things. Why do we not have zero tolerance for poverty? That is the objective; that is the goal. How do we measure the progress that we are making towards achieving zero tolerance?

Senator Lavoie-Roux and Senator Atkins drew our attention to some facts that apply to the area of child poverty. In the late 1980s, Prime Minister Mulroney assisted in the ratification of the children's convention. Prime Minister Mulroney chaired the World Conference on Children. The issue of poverty was of such shocking vividness at that time that we came up with some objectives to ensure that we reduce child poverty by the year 2000. The statistics show we have gone in the other direction.

For eight or nine years have we been monitoring the steps that we have been taking federally and provincially towards reducing child poverty and homelessness? I do not know of any mechanism of the state that does this. There are many non-governmental organizations with particular areas of interest and particular interest groups that focus on aspects of social development. However, we do not have a social audit mechanism. We have the Auditor General, who tells us how well or how poorly public funds are being spent. We do not have a social audit mechanism that addresses how well we have been doing with these tremendous resources that I submit we are applying to areas of poverty, and yet we are not attaining the desired results.

That we are not attaining the results is not simply my statement, honourable senators, that was the conclusion of the social audit that was done by the international committee of the United Nations that oversees compliance with the International Covenant on Economic, Social and Cultural Rights.

Honourable senators will remember that the committee which reported just prior to Christmas received information about a number of cases in which claims were brought by people living in poverty in Canada, usually women and children, both alluded to by my colleagues who spoke before me, against our federal and provincial governments.

The obligation in the covenant applies to the provincial, territorial and federal governments. Canada ratified the international covenant in 1976. That ratification took place with the written agreement and encouragement of every government in Canada. It was unanimous. In the archives of the Privy Council office you will find the letters from the premiers of all the provinces and the government leaders of the day responsible for the territories.



The standard in the covenant was agreed to by all jurisdictions in Canada. The social audit mechanism was agreed to by all the jurisdictions. Indeed, all the jurisdictions collaborated, pursuant to the work that is managed by the continuing committee of officials responsible for human rights legislation in Canada, chaired by the Heritage Canada minister, for the domestic preparation of the Canadian report. The Minister of Foreign Affairs delivers this report to the Secretary-General of the United Nations.

To build on Senator Stewart's point, we must address the jurisdictional issue. There is a foundation, and it seems to me that we should be building on it.

My time will not permit me to go through all of the criticisms that were made by the United Nations committee, however, they are part of the record and establish clearly that we do not have our priorities straight. That is our challenge.

A few years ago, the report of Senator Croll and others led to the Senate poverty line being established. That was normative and helpful. The international treaty that I referred to is normative, as well. From an operational standpoint, we have this particular mechanism.

We must put our minds to achieving the objective of zero tolerance for poverty in Canada and to putting the appropriate mechanisms in place to achieve that end.

•(1640)

I do not think that we should be turned away at all by money considerations. We have sufficient money to make major progress in combating poverty in Canada in its various manifestations. Obviously, increases in the social development basket would make the work much easier. I suggest we ought not be deterred from seizing this item simply due to money considerations.

**Senator Atkins:** Would Senator Kinsella take one question?

**Senator Kinsella:** Yes.

**Senator Atkins:** Would Senator Kinsella agree that, were it not for the underground economy, the statistics would reflect a much worse situation?

**Senator Kinsella:** My impression, based upon my experience in the Province of New Brunswick, is that many people are showing great creativity in attempting to keep the family together and responding to family needs. I have no doubt that they are all law-abiding and are quite assiduous in participating in the taxation system. I think the reality is, based on Revenue Canada's own studies, that there is a significant underground economy. However, I would leave it to the efforts of Revenue Canada to ascertain that.

If part of the point of the underground economy is that there is a society apart from Canadian society, then that is very dangerous. It speaks to issues of lack of social cohesion which the Honourable Senator Murray and his committee are addressing. It is a society unto itself, and there is a breakdown in the covenant between the people and the government. That is

what it speaks to and that is what I think is most serious about the underground economy.

**Hon. Lowell Murray:** Honourable senators, I should like to make one or two points by way of providing, I hope, food for thought for Senator Stewart and others who are interested in the subject.

First, as Senator Lavoie-Roux and others have pointed out, the Standing Senate Committee on Social Affairs, Science and Technology has been embarked for some months on a study of social cohesion in Canada under the pressures of globalization and technology. A witness before our committee some weeks ago was the Honourable Ed Broadbent, who is well known to all of us here. Mr. Broadbent described the different economic and social policy models, if I may put it that way, that have been followed in Western Europe, on the one hand, and in Britain, the United States and, to some extent, Canada, on the other.

I need not describe those models for honourable senators. I think they know what we are talking about in terms of fiscal and monetary restraints in the English-speaking countries; deregulation, open markets and all the rest of it, whereas in Western Europe there is an insistence on maintaining very high quality and, indeed, expensive social programs.

Mr. Broadbent, after discussing these, stated — and I think I am quoting him almost word for word: I would rather be an unemployed person in Western Europe than one of the working poor in the United States. He makes that statement, of course, because of the much stronger social safety net in Western Europe than exists in the United States. He went on to speak of the 40 million, I believe it was, employed Americans who are without medical coverage.

It was a very interesting point, but I am not sure that everyone would answer the question in the same way. I think a case can be made that a job is a job is a job, and that a job, however humble it may be, is, to some extent, your platform out of a life of poverty and unemployment. That, of course, is both the theory and the faith of Americans in their own society.

On another day, there was a debate, which has not been satisfactorily concluded, between Senator Grafstein and a couple of academics who spoke to us about the income gaps in various countries, including the United States. Senator Grafstein stated, although he did not have the numbers in front of him, that a great deal more progress has been made in recent years than we give the Americans credit for in terms of closing the gap between the lowest and the highest income groups in that country. There was argument back and forth. Senator Grafstein stuck to his guns. Although he did not have the documentation with him, he insisted that what he said was true. I hope we are able to conclude that debate at some point before our labours are finished and we report.

There is one other point about Canada that I think is worth making, and that is that there is an increasing polarization of jobs and incomes in this country. I am speaking now about people who have jobs. There are fortunate people in this country; people who work in the public sector to a large extent, people who have unionized jobs in the private sector, and others who have



reasonably secure, reasonably well-paying jobs with pretty decent benefits. There is an ever-growing number of people in the country who are part-time, casual, temporary employees earning low pay, with no security and very few benefits indeed.

This polarization is, itself, the cause, I think, of present and serious potential strains on social cohesion in the country. Why should taxpayers, at the level of income about which Senator Atkins is talking, tolerate for very long a situation in which their taxes are going to pay for reasonably good salaries, benefits, security and working conditions for people in the public sector while they, at the other end of the scale, are doing so very badly, although they are employed?

Although I have been told this is a hypothesis rather than a fact, I believe that some of these conditions are the result of the pressures of globalization and technology on our society, which is why our committee is working so diligently to at least get a better understanding of the problem.

I may say en passant that I noticed the other day that the British government had brought in a bill precisely for the purpose of guaranteeing some benefits and standards for people in part-time, temporary and casual work; guarantees which they did not hitherto have. I have not had an opportunity to examine the legislation, but I think it is well worth doing.

•(1650)

On the question of jurisdiction, I commend to honourable senators a closer study of the Canada Child Benefit. This was built on something that we started to do in a previous government. A couple of years ago, the present government refined this and enriched it. They provided some room for provincial governments to help get people off the welfare roles and into employment. In other words, they removed what appeared to be some disincentives to people on welfare to go to work. No one on welfare is any worse off as a result of this measure that was introduced by the federal government and the provinces. Their welfare income remains the same. However, the extra room enables the provinces to do things such as provide child care and other benefits that remove disincentives for people on welfare to move into the labour market. My impression is — and it would be worthwhile asking for a review of it from the appropriate department — that it is working very well. Certainly, at close range, it looks to me like not just good federal-provincial relations but good social policy. It may, indeed, provide a model for other things that the provincial and federal governments can do collaboratively to help alleviate the problem to which Senators Lavoie-Roux, Atkins, Kinsella and Stewart have referred.

**The Hon. the Speaker:** Honourable senators, if no other honourable senator wishes to speak, this debate shall be considered concluded.

## HER MAJESTY QUEEN ELIZABETH II

### CONGRATULATIONS ON FORTY-SEVENTH ANNIVERSARY OF ACCESSION TO THRONE

**Hon. Anne C. Cools** rose pursuant to notice of Tuesday, February 9, 1999:

That she will call the attention of the Senate to the 47th anniversary of Her Majesty, Queen Elizabeth II's accession to the throne on February 6, 1952, and also to the commemoration Service of Her Accession held on February 7, 1999 at the Anglican Cathedral Church of St. James in Toronto, hosted by its Dean, the Very Reverend Douglas Stoute.

She said: Honourable Senators, I rise to honour the 47th Anniversary of Her Majesty Queen Elizabeth II's accession to the throne. My theme for this speech will be "The Leader as Servant, Public Service, the Queen and Christ the King."

Honourable senators, the concept of public service, as we know it, was developed in the ideas of Christian service, civic responsibility, and British and Canadian constitutionalism. I shall speak to the values and the principles which founded, created, and sustained our Dominion of Canada, as per the words of Psalm 72, verse 8, King James Version:

He shall have dominion also from sea to sea.

We must press for the renewal and the affirmation of these concepts of public service in Canada, in God and Queen, particularly as the political condition of Canada today is troubling, and compelling care and attention. But first some history. The term "Dominion" replaced "Kingdom" during the drafting of the British North America Act, 1867. The fourth draft of the British North America Act, published in Sir Joseph Pope's book, *Confederation*, at page stated:

The word 'Parliament' shall mean the Legislature or Parliament of the Kingdom of Canada.

The word 'Kingdom' shall mean and comprehend the United Provinces of Ontario, Quebec, Nova Scotia, and New Brunswick.

The words 'Privy Council' shall mean such persons as may from time to time be appointed, by the Governor General, and sworn to aid and advise in the Government of the Kingdom.

About the change from "Kingdom" to "Dominion," Sir John A. Macdonald, in a letter to Lord Knutsford, published in another of Sir Joseph's work *Correspondence of Sir John Macdonald*, at page 450, tells us:

A great opportunity was lost in 1867 when the Dominion was formed out of the several provinces.

The declaration of all the B.N.A. provinces that they desired as one dominion to remain a portion of the Empire, showed what wise government and generous treatment would do, and should have been marked as an epoch in the history of England. This would probably have been the case had Lord Carnarvon, who, as colonial minister, had sat at the cradle of the new Dominion, remained in office. His ill-omened resignation was followed by the appointment of the late Duke of Buckingham, who had as his adviser the then Governor General, Lord Monck — both good men, certainly, but quite unable, from the constitution of their minds, to rise to the occasion. Had a different course been pursued, for instance, had united Canada been declared to be an auxiliary kingdom, as it was in the Canadian draft of the bill, I feel sure almost that the Australian colonies would, ere this, have been applying to be placed in the same rank as *The Kingdom of Canada*.

He added as a postscript:

P.S. On reading the above over I see that it will convey the impression that the change of title from *Kingdom* to *Dominion* was caused by the Duke of Buckingham. This is not so. It was made at the instance of Lord Derby, then foreign minister, who feared the first name would wound the sensibilities of the Yankees. I mentioned this incident in our history to Lord Beaconsfield at Hughenden in 1879, who said, 'I was not aware of the circumstance, but it is so like Derby, a very good fellow, but who lives in a region of perpetual funk.'

Honourable senators, about leadership, service and trial, I shall cite the Book of Sirach, also known as Ecclesiasticus, Chapter 2, verses 1 to 5:

My son, when you come to serve the Lord, prepare yourself for trials.  
Be sincere of heart and steadfast, undisturbed in time of adversity.  
Cling to him, forsake him not; thus will your future be great.  
Accept whatever befalls you, in crushing misfortune be patient;  
For in fire gold is tested, and worthy men in the crucible of humiliation.

Honourable senators, in 1984, having been summoned to the Senate by Her Majesty's representative, His Excellency the Governor General of Canada, I entered this red Senate Chamber, our Upper House, for the first time. I placed my right hand on the Bible and swore the Oath of Allegiance. I swore:

I, Anne Clare Cools, do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II....

I took that oath most seriously. An oath is a promise, a solemn declaration invoking one's deity, an appeal to God.

Honourable senators, last Sunday, St. James Cathedral, full of people assembled by the Monarchist League of Canada and other loyal societies, celebrated the 47th Anniversary of Queen Elizabeth II's accession to the throne on February 6, 1952. I recall most vividly her Coronation in 1953. Her Majesty, too, then took an oath, the Coronation Oath, swearing her commitment to her subjects, to mercy, to justice, and to God. I was then a child of nine in Barbados, British West Indies, in the first form of my school, Queen's College, the oldest girl's school in the British Empire, situated on many acres of land, with games fields, hockey fields and three tennis courts. In honour of Queen Elizabeth II's Coronation, my school, Queen's College, staged a pageant, an outdoor play, in which one student, an upper form girl, dramatically mounted side-saddle on a horse, played Queen Elizabeth I delivering her inspiring address to her troops poised for battle at Tilbury in 1588, awaiting the approach of the Spanish Armada. Queen Elizabeth I said:

I know I have the body of a weak and feeble woman,  
but I have the heart and stomach of a king and of a  
king of England too;  
and think foul scorn that Parma and Spain,  
or any prince of Europe,  
should dare too invade the borders of my realm.

Queen Elizabeth I told them that leadership is about heart and stomach, lion-heartedness, in duty and service to God, Queen and Country. The Sovereign, the chief warrior, commanded the troops who fought and died, as was required of them in their soldiers' duty. As a woman, Queen Elizabeth I was exempted from warrior duty but, as Queen and Commander, she personally met and faced her troops, her own warriors. Canada sent many soldiers, young people, to fight and to die in two world wars. They fought and died to defend their God, their King and their country. We owe much to them.

•(1700)

Honourable senators, public service and civic responsibility were emphatic themes of my childhood in Barbados which was filled with the classics by Charles Dickens, Charles Kingsley, and others. I loved Kingsley's *The Water Babies* about Tom, the child chimney sweep. Imagine — little children inside dirty, dangerous chimneys. I heard accounts of the 19th century's great British social reformers, parliamentarians Lord Shaftesbury and William Wilberforce, whose names still resonated with magic. Both were devout Christians, actually Anglican Evangelicals. Lord Shaftesbury's work for the mentally infirmed, the destitute, the factory workers, and for the child labourers, is still spoken of. Equally legend was William Wilberforce's lifelong, tireless, daunting effort for the abolition of the slave trade and slavery. Wilberforce was successful. He saw the abolition of the slave trade in 1807 but did not live to see the abolition of slavery itself because, sadly, he died days before the abolition of slavery and the passage of the Emancipation Bill in 1833. His 40-year parliamentary action on the amelioration of slavery was his life's work, his life's journey, his pilgrimage.



Reverend John Wesley, the Anglican minister, founder of the Methodist Church, a few days before he died in March 1791, wrote a letter to William Wilberforce, published in Samuel Wilberforce's *The Life of Wilberforce*. Wesley wrote:

I see not how you can go through your glorious enterprise, in opposing that execrable villainy which is the scandal of religion, of England, and of human nature. Unless God has raised you up for this very thing, you will be worn out by the opposition of men and devils; but if God be for you who can be against you... Go on in the name of God, and in the power of His might, till even American slavery, the vilest that ever saw the sun, shall vanish away before it. That He who has guided you from your youth up may continue to strengthen you in this and all things, is the prayer of your affectionate servant, JOHN WESLEY.

Reverend John Wesley admonished Wilberforce on the perils of trusting in one's own righteousness and trusting in one's own worthiness. He cautioned of the need of God's grace in fighting evil and facing human inadequacy. John Wesley was a powerful influence in my native Barbados, also the birth place of Reverend Douglas Stoute, Dean of St. James Cathedral, and host of this celebration.

My mother was a Methodist, and a strong Methodist, too. I share this because I understand so well that, even with the whole force of truth, with righteousness and judiciousness on one's side, and even with every rational argument and the powers of moving eloquence on one's side, victory and justice are uncertain, and are often elusive, even fleeting, for reasons that we all know. The human psyche and human nature are artful dodgers. Human frailty, weakness, cowardice, vanity, and inadequacy permit multitudes of wrongs.

Honourable senators, I move now to the political condition of Canada. Often, I hear calls for the abolition of the Senate. I also hear calls, sometimes from the same quarters, for the abolition of the monarchy and for a condition of Queen-lessness in Canada. The finest achievement of constitutional governance is our system of responsible government called "The Queen in Parliament." That is, government, the cabinet, chosen from elected members of Parliament, sitting in Parliament, and politically responsible to Parliament on sufferance of Parliament's confidence.

I view these calls as acts of mischief, as constitutional vandalism, and as vandalism of Canadian history and culture. These proponents, even when they are members of our House of Commons, like Roger Gallaway, are troubling; when members of our cabinet like ministers Lloyd Axworthy, Stéphane Dion, and John Manley, they are vexing.

The principle was that cabinet speaks with one voice, and that cabinet ministers, like senators, are sworn to the Queen. They propose to dispossess Canadians of their inheritance and their institutions, to impoverish them, and to sever them from their history. It is vandalism. Canada has one Parliament. The

Constitution Act, 1867, formerly the British North America Act, 1867, in section 17, states:

There shall be One Parliament for Canada, consisting of the Queen, an Upper House styled the Senate, and the House of Commons.

The one Parliament for Canada is indivisible. These members and ministers offer no explanation about the true meaning and true consequences of their propositions, which are for an entirely different social order. I do not support either of these two propositions.

Parliament without the Queen, or without the Senate, is not a Parliament. The problem is that these proponents will not tell us what Parliament without a Senate or a monarch would be. I assert that there can be no Parliament without a monarch, or without a Senate. I assert that the Parliament of Canada is indivisible, as is Canada indivisible. The deconstruction of Parliament is synonymous with the deconstruction of Canada.

The deconstruction of Canada is most evident to me in developments in the institutions of civil society, particularly the family, and also in the judiciary with its judicial activism in family law. I have been pained that Parliament and the courts have been reluctant to vindicate the need of children of divorce for both their parents. On this question, I have adopted a position that the children of divorce have an entitlement to the love and support of both parents, both their mother and their father. Fathers and grandparents simply must not be shut out of a child's life. The Divorce Act or Parliament never intended the dispossession of children of their parents, or the dispossession of parents of their children. I have maintained that Parliament and the courts must vindicate the needs of children of divorce for both parents. I have also asserted that both men and women are equally capable of being good parents, just as they are equally capable of being bad parents. I have repudiated any concept of moral superiority of gender, any concept that women are morally superior to men, or that men are morally inferior to women, or that somehow men are morally defective. As a Christian, we hold that sin is an affliction of the human condition, not an affliction of gender. My upholding of the children of divorce is founded upon the concept of Her Majesty the Queen's Royal Prerogative as the *parens patriae*, the supreme parent of the nation, of the vulnerable and those in need of her protection, the children. The protection of children was developed in the jurisprudence of the courts headed by the Queen's chief representative, the Lord Chancellor, in the Courts of Chancery and Equity, both in the United Kingdom and in Canada. That jurisprudence in the late 19th century gave us the terms, "the welfare of the child" and "the best interests of the child." I have merely reasserted that the Queen's *parens patriae* and the best interests of the child have always ever included the child's interests in both parents' meaningful involvement in the child's life, both fathers and mothers.

The Queen is the chief parent of all the children of the land. We parliamentarians are their stewards. Psalm 127, verse 3, The Good News Bible, tells us:

Children are a gift from the Lord; they are a real blessing.



Human nature is imperfect. Consequently, the leaders of society are imperfect. Therefore, it is imperative that leaders must aspire to ideals and principles that are higher than their own human nature. Leadership must bear allegiance and loyalty to a centre that is higher than that which they can control. Failure to do so will result in leadership based in self-interest, personal fancy, vanity and personal power drives, what St. Augustine called the *libido dominandi*, the lust for domination, for personal power.

We must understand the dark and the light sides of human beings. Human capacity for evil and human capacity for good live side by side. That is why, in the exercise of power and leadership, Lord Acton wrote:

Power tends to corrupt and absolute power corrupts absolutely.

It is an ill-fated leader or politician who ignores those words. Leadership must be guided by principles and concepts that are clear and known to all, and which are grounded in a sense of public duty, public service, and love. For us, these have been Christian principles as born of Judaic, Christian, and Islamic tradition. We can look to Abraham, Isaac, Jacob, Jesus and Ishmael, the bond child of Abraham with Hagar, for guidance. For me, these principles are non-negotiable.

Further, they are written in the Constitution Act, 1982, the preamble of the Charter of Rights and Freedoms which states:

Whereas Canada is founded upon principles that recognize the supremacy of God and the rule of law:

I suppose all I can say is *credo*, I believe, with the Apostles Creed, God the Father, the Son, and the Holy Ghost.

Queen Elizabeth II has lived, to the best of her ability, the high concepts of public service in Christ the King. She is a great woman, a great Queen and a great servant. God Bless the Queen!

Romans, Chapter 12, verse 5, King James version tells us:

So we, being many, are one body in Christ, and every one members one of another.

Honourable senators, we are all connected.

I would like to thank honourable senators. I attended that service last Sunday. It was magnificent. In point of fact, I was an honoured guest. I gave the homily.

The music was spectacular under the Director of Music, Dr. Giles Bryant, and the organist, Christopher Dawes. The choir was outstanding. I invite all of us to celebrate the great things in Canada and in our lives more often, in praise and in song and in prayer.

•(1710)

**Hon. Shirley Maheu (The Hon. The Acting Speaker):** If no other honourable senator wishes to speak, this order is considered debated.

## CAPE BRETON DEVELOPMENT CORPORATION

### MOTION FOR PRODUCTION OF DOCUMENTS RELEVANT TO PROPOSED PRIVATIZATION—DEBATE ADJOURNED

**Hon. Lowell Murray**, pursuant to notice of February 3, 1998, moved:

That there be laid before this House all documents and records concerning the possible privatization of Devco, including:

(a) studies, analyses, reports and other policy initiatives prepared by or for the government;

(b) documents and records that disclose all consultants who have worked on the subject and the terms of reference of the contract for each, its value and whether or not it was tendered;

(c) briefing materials for Ministers, their officials, advisors, consultants and others;

(d) minutes of departmental, inter-departmental and other meetings; and

(e) exchanges between the Department of Natural Resources, the Department of Finance, the Treasury Board, the Privy Council Office and the Office of the Leader of the Government in the Senate.

He said: Honourable senators, shortly before Christmas I filed, under the Access to Information law, two requests for documentation pertaining to Devco.

The first was for information concerning the famous poll done by the Government of Nova Scotia, parts of which were strategically leaked by the Department of Natural Resources to the Nova Scotia media. I sought a copy of the questionnaire; of the sample that had been drawn from with reference to the various regions of Nova Scotia — the answers to all the questions were broken down in that way — and, of course, of the narrative report that the polling company had delivered to the government. Just about all of that information was provided to me by the Department of Natural Resources, I am happy to say, and in the time frame that I had specified, namely, that it be available to me prior to the resumption of the Senate sittings earlier in February.

The second request that I put forward asked for all reports, documents, et cetera concerning the possible privatization of Devco. This request went to several departments of government, including the departments of Natural Resources, Finance, and Treasury Board. The response to this request has been trickling in rather more slowly, hence the motion that is before us today. Several of the departments to which I directed the request have invoked the need for another 30 to 45 days to collect this documentation.

One department, the Department of Natural Resources, sent me some documentation which was quite heavily edited. In doing so, the department invoked one or other of the various exemptions that are available to the government under the Access to Information law. As honourable senators know, these exemptions include confidences of the Queen's Privy Council, solicitor-client privilege, third party information, commercial information, advice to ministers, and so on and so forth. What I have received so far from the Department of Natural Resources is a lot of press clippings, verbatim transcripts of Senate committees, all of which are available to me in any event, and a whole pile of sheets of paper that are otherwise blank but for a notation of the particular section in the Access to Information law that is being invoked by the government.

I do have the right, as any citizen does, to appeal to the Commissioner of Information and demand that some of these exemptions be overridden. I will consider doing that after I have a full response from all of the departments concerned, and I would do so with some confidence because the Commissioner of Information, as colleagues know, is a distinguished former parliamentarian, the Honourable John Reid, who I think understands the need that parliamentarians have for full information in order to debate intelligently the decisions and policies of the government, especially important decisions such as this one affecting, as it does, so many of our fellow citizens in Cape Breton and eastern Nova Scotia.

I have placed this motion on the Order Paper, and I have given you that background because there is one point I want to make about it. Perhaps, if there is any question about what I am saying, some more experienced parliamentarian will correct me. My

contention is that a motion for the production of papers, such as I have put on the Order Paper and that is now before you, is a rather more powerful weapon than a simple request under the Access to Information Act. We parliamentarians, members of the Senate or House of Commons, are not at all restricted, I believe, by the exemptions that are available to the government under the Access to Information Act. I am aware that there are various conventions that apply to what governments may table in Parliament, but they are not nearly as broad as the exemptions that are available to the government under Access to Information.

I have put this motion down seeking all documentation, exchanges of correspondence, messages and so forth relating to this subject, in the belief that I am on solid ground in doing so and that it will produce much more voluminous documentation than has been vouchsafed me so far under the Access to Information Act. We shall see.

I understood from my friend the Deputy Leader of the Government the other day that the government had no objection to this motion going forward. We will see what it produces. Meanwhile, I will await the full returns under my Access to Information request and consider whether I need invoke my right of appeal. If this motion has the desired effect, I will probably not need to do so.

On motion of Senator Carstairs, for Senator Graham, debate adjourned.

The Senate adjourned until Tuesday, February 16, 1999, at 2 p.m.

**THE SENATE OF CANADA**  
**PROGRESS OF LEGISLATION**  
**(1st Session, 36th Parliament)**  
**Thursday, February 11, 1999**

**GOVERNMENT BILLS**  
**(SENATE)**

<b>No.</b>	<b>Title</b>	<b>1st</b>	<b>2nd</b>	<b>Committee</b>	<b>Report</b>	<b>Amend.</b>	<b>3rd</b>	<b>R.A.</b>	<b>Chap.</b>
S-2	An Act to amend the Canadian Transportation Act, 1985 and the Office of the Superintendent of Financial Institutions Act (Sen. Graham)	97/09/30	97/10/21	Transport and Communications	98/04/02	four	98/05/27	98/06/18	20/98
S-3	An Act to amend the Pension Benefits Standards Act, 1985 and the Office of the Superintendent of Financial Institutions Act (Sen. Graham)	97/09/30	97/10/21	Banking, Trade and Commerce	97/11/05	seven	97/11/20	98/06/11	12/98
S-4	An Act to amend the Canada Shipping Act (maritime liability) (Sen. Graham)	97/10/08	97/10/22	Transport and Communications	97/12/12	three	97/12/16	98/05/12	06/98
S-5	An Act to amend the Canada Evidence Act and the Criminal Code in respect of persons with disabilities, to amend the Canadian Human Rights Act in respect of persons with disabilities and other matters and to make consequential amendments to other Acts (Sen. Graham)	97/10/09	97/10/29	Legal and Constitutional Affairs	97/12/04	one	97/12/11 Senate agreed to Commons amendments 98/05/06	98/05/12	09/98
S-9	An Act respecting depository bills and depository notes and to amend the Financial Administration Act (Sen. Graham)	97/12/03	97/12/12	Banking, Trade and Commerce	98/02/24	one	98/03/19	98/06/11	13/98
S-16	An Act to implement an agreement between Canada and the Socialist Republic of Vietnam, an agreement between Canada and the Republic of Croatia and a convention between Canada and the Republic of Chile, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income	98/05/05	98/05/12	Foreign Affairs	98/05/28	none	98/06/02	98/12/03	33/98
S-21	An Act respecting the corruption of foreign public officials and the implementation of the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, and to make related amendments to other Acts	98/12/01	98/12/03	Whole	98/12/03	one at 3rd	98/12/03	98/12/10	34/98
S-22	An Act authorizing the United States to pre-clear travellers and goods in Canada for entry into the United States for the purposes of customs, immigration, public health, food inspection and plant and animal health	98/12/01	99/02/11	Foreign Affairs					



S-23	An Act to amend the Carriage by Air Act to give effect to a Protocol to amend the Convention for the Unification of Certain Rules Relating to International Carriage by Air and to give effect to the Convention, Supplementary to the Warsaw Convention, for the Unification of Certain Rules Relating to International Carriage by Air Performed by a Person Other than the Contracting Carrier	98/12/10	99/02/03	Transport and Communications
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**GOVERNMENT BILLS  
(HOUSE OF COMMONS)**

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
C-2	An Act to establish the Canada Pension Plan Investment Board and to amend the Canada Pension Plan and the Old Age Security Act and to make consequential amendments to other Acts	97/12/04	97/12/16	Committee of the whole 97/12/17	97/12/17	none	97/12/18	97/12/18	40/97
C-3	An Act respecting DNA identification and to make consequential amendments to the Criminal Code and other Acts	98/09/30	98/10/22	Legal and Constitutional Affairs	98/12/08	none	98/12/09	98/12/10	37/98
C-4	An Act to amend the Canadian Wheat Board Act and to make consequential amendments to other Acts	98/02/18	98/02/26	Agriculture and Forestry	98/05/14	five	98/05/14	98/06/11	17/98
C-5	An Act respecting cooperatives	97/12/09	97/12/16	Banking, Trade and Commerce	98/02/24	none	98/02/25	98/03/31	01/98
C-6	An Act to provide for an integrated system of land and water management in the Mackenzie Valley, to establish certain boards for that purpose and to make consequential amendments to other Acts	98/03/18	98/03/26	Aboriginal Peoples	98/06/09	none	98/06/18	98/06/18	25/98
C-7	An Act to establish the Saguenay-St. Lawrence Marine Park and to make a consequential amendment to another Act	97/11/25	97/12/02	Energy, Environment and Natural Resources	97/12/09	none	97/12/10	97/12/10	37/97
C-8	An Act respecting an accord between the Governments of Canada and the Yukon Territory relating to the administration and control of and legislative jurisdiction in respect of oil and gas	98/03/17	98/03/25	Aboriginal Peoples	98/03/31	none	98/04/01	98/05/12	05/98
C-9	An Act for making the system of Canadian ports competitive, efficient and commercially oriented, providing for the establishing of port authorities and the divesting of certain harbours and ports, for the commercialization of the St. Lawrence Seaway and ferry services and other matters related to maritime trade and transport and amending the Pilotage Act and repealing and repealing other Acts as a consequence	97/12/09	98/03/26	Transport and Communications	98/05/13	none	98/05/28	98/06/11	10/98

C-10	An Act to implement a convention between Canada and Sweden, a convention between Canada and the Republic of Lithuania, a convention between Canada and the Republic of Kazakhstan, a convention between Canada and the Republic of Iceland and a convention between Canada and the Kingdom of Denmark for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and to amend the Canada-Netherlands Income Tax Convention Act, 1986 and the Canada-United States Tax Convention Act, 1984	97/11/19	97/11/27	Banking, Trade and Commerce	97/12/04	none	97/12/10	97/12/10	38/97
C-11	An Act respecting the imposition of duties of customs and other charges, to give effect to the International Convention on the Harmonized Commodity Description and Coding System, to provide relief against the imposition of certain duties of customs or other charges, to provide for other related matters and to amend or repeal certain Acts in consequence thereof.	97/11/19	97/11/27	Banking, Trade and Commerce	97/12/04	none	97/12/08	97/12/08	36/97
C-12	An Act to amend the Royal Canadian Mounted Police Superannuation Act	98/04/28	98/04/30	Social Affairs, Science & Technology	98/06/04	none	98/06/08	98/06/11	11/98
C-13	An Act to amend the Parliament of Canada Act	97/10/30	97/11/05	Legal and Constitutional Affairs	97/11/06	none	97/11/18	97/11/27	32/97
C-15	An Act to amend the Canada Shipping Act and to make consequential amendments to other Acts	98/05/05	98/06/03	Transport and Communications	98/06/10	none	98/06/11	98/06/11	16/98
C-16	An Act to amend the Criminal Code and the Interpretation Act (powers to arrest and enter dwellings)	97/11/18	97/12/11	Legal and Constitutional Affairs	97/12/16	none	97/12/17	97/12/18	39/97
C-17	An Act to amend the Telecommunications Act and the Teleglobe Canada Reorganization and Divestiture Act	97/12/09	98/02/24	Transport and Communications	98/03/25	none	98/04/29	98/05/12	08/98
C-18	An Act to amend the Customs Act and the Criminal Code	98/02/10	98/02/18	Legal and Constitutional Affairs	98/04/02	none	98/04/28	98/05/12	07/98
C-19	An Act to amend the Canada Labour Code (Part I) and the Corporations and Labour Unions Returns Act and to make consequential amendments to other Acts	98/05/26	98/06/08	Social Affairs, Science & Technology	98/06/18	none	98/06/18	98/06/18	26/98
C-20	An Act to amend the Competition Act and to make consequential and related amendments to other Acts	98/09/24	98/11/17	Banking, Trade and Commerce	98/12/03	none + two at 3rd	98/12/10	Commons amendments referred to Committee 99/02/11	
C-21	An Act to amend the Small Business Loans Act	98/03/19	98/03/25	Banking, Trade and Commerce	98/03/26	none	98/03/31	98/03/31	04/98
C-22	An Act to implement the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction	97/11/25	97/11/26	Foreign Affairs	97/11/27	none	97/11/27	97/11/27	33/97

C-23	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1998	97/11/26	97/12/04	—	—	—	97/12/08	97/12/08	35/97
C-24	An Act to provide for the resumption and continuation of postal services	97/12/02	97/12/03	Committee of the whole	97/12/03	none	97/12/03	97/12/03	34/97
C-25	An Act to amend the National Defence Act and to make consequential amendments to other Acts	98/06/11	98/06/18	Legal and Constitutional Affairs	98/11/24	one	98/12/01	98/12/10	35/98
C-26	An Act to amend the Canada Grain Act and the Agriculture and Agri-Food Administrative Monetary Penalties Act and to repeal the Grain Futures Act	98/06/08	98/06/16	Agriculture and Forestry	98/06/18	none	98/06/18	98/06/18	22/98
C-28	An Act to amend the Income Tax Act, the Income Tax Application Rules, the Bankruptcy and Insolvency Act, the Canada Pension Plan, the Children's Special Allowances Act, the Companies' Creditors Arrangement Act, the Cultural Property Export and Import Act, the Customs Act, the Customs Tariff, the Employment Insurance Act, the Excise Tax Act, the Federal-Provincial Fiscal Arrangements Act, the Income Tax Conventions Interpretation Act, the Old Age Security Act, the Tax Court of Canada Act, the Tax Rebate Discounting Act, the Unemployment Insurance Act, the Western Grain Transition Payments Act and certain Acts related to the Income Tax Act	98/04/28	98/05/12	Banking, Trade and Commerce	98/06/04	none	98/06/16	98/06/18	19/98
C-29	An Act to establish the Parks Canada Agency and to amend other Acts as a consequence	98/06/03	98/06/15	Energy, the Environment and Natural Resources	98/10/20	none	98/11/19	98/12/03	31/98
C-30	An Act respecting the powers of the Mi'kmaq of Nova Scotia in relation to education	98/06/11	98/06/16	Aboriginal Peoples	98/06/18	none	98/06/18	98/06/18	24/98
C-31	An Act respecting Canada Lands Surveyors	98/05/07	98/05/26	Energy, the Environment and Natural Resources	98/06/09	none	98/06/10	98/06/11	14/98
C-33	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1998	98/03/18	98/03/25	—	—	—	98/03/26	98/03/31	02/98
C-34	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1999	98/03/18	98/03/26	—	—	—	98/03/31	98/03/31	03/98
C-35	An Act to amend the Special Import Measures Act and the Canadian International Trade Tribunal Act	98/12/07							
C-36	An Act to implement certain provisions of the budget tabled in Parliament on February 24, 1998	98/05/28	98/06/08	National Finance	98/06/15	none	98/06/17	98/06/18	21/98
C-37	An Act to amend the Judges Act and to make consequential amendments to other Acts	98/06/11	98/09/22	Legal and Constitutional Affairs	98/10/22	eight	98/11/04	98/11/18	30/98
C-38	An Act to amend the National Parks Act (creation of Tuktoyuk Nogait National Park)	98/06/15	98/06/17	Energy, the Environment and Natural Resources	98/12/01	none	98/12/10	98/12/10	39/98
C-39	An Act to amend the Nunavut Act and the Constitution Act, 1867	98/06/03	98/06/08	Aboriginal Peoples	98/06/09	none	98/06/10	98/06/11	15/98



C-40	An Act respecting extradition, to amend the Canada Evidence Act, the Criminal Code, the Immigration Act and the Mutual Legal Assistance in Criminal Matters Act and to amend and repeal other Acts in consequence	98/12/02	98/12/10	Legal and Constitutional Affairs			
C-41	An Act to amend the Royal Canadian Mint Act and the Currency Act	98/12/02	98/12/09	National Finance			
C-42	An Act to amend the Tobacco Act	98/12/02	98/12/08	Legal and Constitutional Affairs	98/12/10	98/12/10	38/98
C-43	An Act to establish the Canada Customs and Revenue Agency and to amend and repeal other Acts as a consequence	98/12/08	99/02/10	National Finance			
C-45	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1999	98/06/10	98/06/16	—	—	98/06/17	28/98
C-46	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1999	98/06/10	98/06/16	—	—	98/06/17	29/98
C-47	An Act to amend the Parliament of Canada Act, the Members of Parliament Retiring Allowances Act and the Salaries Act	98/06/11	98/06/16	Banking, Trade and Commerce	98/06/17	98/06/18	23/98
C-51	An Act to amend the Criminal Code, the Controlled Drugs and Substances Act and the Corrections and Conditional Release Act	98/11/18	98/12/03	Legal and Constitutional Affairs			
C-52	An Act to implement the Comprehensive Nuclear Test-Ban Treaty	98/10/20	98/10/28	Foreign Affairs	98/11/18	98/11/24	32/98
C-53	An Act to increase the availability of financing for the establishment, expansion, modernization and improvement of small businesses	98/11/25	98/12/02	Banking, Trade and Commerce	98/12/08	98/12/09	36/98
C-57	An Act to amend the Nunavut Act with respect to the Nunavut Court of Justice and to amend other Acts in consequence	98/12/07	98/12/10	Legal and Constitutional Affairs			
C-58	An Act to amend the Railway Safety Act and to make a consequential amendment to another Act	99/02/02	99/02/11	Transport and Communications			
C-59	An Act to amend the Insurance Companies Act	98/12/10	99/02/04	Banking, Trade and Commerce			
C-60	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1999	98/12/02	98/12/08	—	—	98/12/09	40/98

## COMMONS PUBLIC BILLS

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
C-208	An Act to amend the Access to Information Act	98/11/17	99/02/11	Social Affairs, Science & Technology					
C-220	An Act to amend the Criminal Code and the Copyright Act (profit from authorship respecting a crime) (Sen. Lewis)	97/10/02	97/10/22	Legal and Constitutional Affairs	98/06/10 adopted	recommend Bill not proceed			
C-410	An Act to change the name of certain electoral districts	98/05/28	98/06/04	Legal and Constitutional Affairs	98/06/08	two	98/06/09	98/06/18	27/98
C-411	An Act to amend the Canada Elections Act	98/05/28	98/06/04	Legal and Constitutional Affairs	98/06/08	none	98/06/09	98/06/11	18/98
C-445	An Act to change the name of the electoral district of Stormont-Dundas	98/12/07	98/12/09	Legal and Constitutional Affairs	99/02/04	none	99/02/11		
C-464	An Act to change the name of the electoral district of Sackville-Eastern Shore	98/12/07	98/12/09	Legal and Constitutional Affairs	99/02/04	none	99/02/11		
C-465	An Act to change the name of the electoral district of Argenteuil-Papineau	98/12/07	98/12/09	Legal and Constitutional Affairs	99/02/04	none	99/02/09		

## SENATE PUBLIC BILLS

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
S-6	An Act to establish a National Historic Park to commemorate the "Persons Case" (Sen. Kenny)	97/11/05	97/11/25	Energy, the Environment and Natural Resources					
S-7	An Act to amend the Criminal Code to prohibit coercion in medical procedures that offend a person's religion or belief that human life is inviolable (Sen. Haidasz, P.C.)	97/11/19	97/12/02	Legal and Constitutional Affairs					
S-8	An Act to amend the Tobacco Act (content regulation) (Sen. Haidasz, P.C.)	97/11/26	97/12/17	Social Affairs, Science & Technology	98/04/30	two	Dropped from Order Paper pursuant to Rule 27(3) 98/10/01		
S-10	An Act to amend the Excise Tax Act (Sen. Di Nino)	97/12/03	98/03/19	Social Affairs, Science & Technology	98/06/03	none	referred back to Committee 98/09/24		
					98/12/09	one			
S-11	An Act to amend the Canadian Human Rights Act in order to add social condition as a prohibited ground of discrimination (Sen. Cohen)	97/12/10	98/03/17	Legal and Constitutional Affairs	98/06/04	one	98/06/09		
S-12	An Act to amend the Criminal Code (abuse of process) (Sen. Cools)	98/02/10	98/05/06	Legal and Constitutional Affairs					
S-13	An Act to incorporate and to establish an industry levy to provide for the Canadian Anti-Smoking Youth Foundation (Sen. Kenny)	98/02/26	98/04/02	Social Affairs, Science & Technology	98/05/14	seven + two at 3rd	98/06/10	Bill withdrawn pursuant to Commons Speaker's Ruling 98/12/02	
S-14	An Act providing for self-government by the first nations of Canada (Sen. Tkachuk)	98/03/25	98/03/31	Aboriginal Peoples					

S-15	An Act respecting the declaration of royal assent by the Governor General in the Queen's name to bills passed by the Houses of Parliament (Sen. Lynch-Staunton)	98/04/02	98/06/09	Legal and Constitutional Affairs	98/06/18 report withdrawn 98/12/08	four	Bill withdrawn 98/12/08
S-17	An Act to amend the Criminal Code respecting criminal harassment and other related matters (Sen. Oliver)	98/05/12	98/06/02	Legal and Constitutional Affairs			
S-19	An Act to give further recognition to the war-time service of Canadian merchant navy veterans and to provide for their fair and equitable treatment (Sen. Forrestall)	98/06/18					
<b>PRIVATE BILLS</b>							
S-18	An Act respecting the Alliance of Manufacturers & Exporters Canada (Sen. Kelleher, P.C.)	98/06/17		Dropped from Order Paper pursuant to Rule 27(3) 98/11/17			
S-20	An Act to amend the Act of incorporation of the Roman Catholic Episcopal Corporation of Mackenzie (Sen. Taylor)	98/09/23	98/10/29	Social Affairs, Science & Technology	98/12/03	three	98/12/09





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CANADA

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(HANSARD)

Tuesday, February 16, 1999

THE HONOURABLE GILDAS L. MOLGAT  
SPEAKER



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(Daily index of proceedings appears at back of this issue.)

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## THE SENATE

Tuesday, February 16, 1999

The Senate met at 2:00 p.m., the Speaker in the Chair.

Prayers.

### VISITORS IN THE GALLERY

**The Hon. the Speaker:** Honourable senators, I should like to draw your attention to the presence in the gallery of a delegation of parliamentarians from the Republic of Estonia. It is led by Mr. Toomas Savi, President of the Riigikogu of the Republic of Estonia. Mr. Savi is accompanied by His Excellency Kalev Grigore Stoicesku, Ambassador of the Republic of Estonia to Canada.

On behalf of all honourable senators, I welcome you to the Senate of Canada.

## SENATORS' STATEMENTS

### CHINESE NEW YEAR

**Hon. Vivienne Poy:** Honourable senators, today is Chinese New Year, the most important festival in the Chinese calendar. It is the time when family and friends gather together and share food, pay respects to their ancestors and await the beginning of spring with new hope.

The tradition of families gathering together for New Year's Eve has its origin in an ancient legend about a beast called "nian." Once a year, the beast came from the sea devouring people and their animals. Families stayed together in their homes on New Year's Eve, feasting, drinking and praying that the beast would not get them. The next morning, they emerged from their homes congratulating each other on having survived the night with the words "gong hey." Because of the connection, the Chinese word for beast, "nian," has come to mean "year."

New Year is celebrated according to the Chinese lunar calendar. The traditional Chinese year has 354 days and 12 lunar months of 29 or 30 days each. Every two or three years, a 13th month is added to make the months correspond with the movements of the earth and the sun. Chinese New Year falls on a different day each year in relation to the Gregorian calendar, sometime between January 21 and February 19. Each year in the lunar calendar is named after one of the 12 animals of the Chinese zodiac. Today, the Year of the Rabbit begins.

The Chinese New Year festival and the succeeding days are a time for celebration. School children have a 10-day holiday, and university students have their spring break for up to six weeks. Exhibitions, flower fairs, lion dances, firecrackers and parades usher in the new year. Children and unmarried friends

are given "lai see" by those who are married. Those little red envelopes have money inside for good fortune.

Many traditional Chinese New Year foods are chosen because their names are phonetically close to good luck phrases. Eating these foods bestows their wishes on those who consume them. Dried oysters sound like "good business"; lotus seeds like "many sons"; while whole fish with heads and tails are cooked, symbolizing abundance.

•(1410)

Traditionally, Chinese decorate their homes and businesses with potted flowers as an important symbol of new growth and prosperity. As in Western homes with Christmas trees, trees of peach or cherry blossoms are cut and sold in New Year markets to be put in large vases. If they come into bloom on New Years Day, it means good fortune for the coming year. Peonies and narcissus are also highly favoured flowers at this time of year. In preparation for the New Year, families cook for weeks. Steamed and fried foods, as well as platters of tangerines, oranges and dried fruit, are served to guests.

Honourable senators, today more than one million Canadians share some Chinese ancestry. Chinese New Year is being celebrated by Chinese Canadians across this country and, indeed, around the world. In the Chinese zodiac, the rabbit represents prosperity, peace, and tranquility. I take this opportunity to wish you all a very happy, prosperous, and peaceful Chinese New Year.

**Hon. Pat Carney:** Honourable senators, today, in celebration of Chinese New Year, I pay tribute to the many Canadian citizens of Chinese descent, to their long and often difficult history in Canada, and to their many achievements and contributions to our country.

Senator Poy, in her excellent maiden speech, described how the first Chinese arrived in British North America in 1788 at Nootka Sound to build the small schooner, the *North West America*. Later, timbers from that ship were used to build the Spanish schooner *Saturnina*, after which my home of Saturna Island was named.

Since then, Canadians of Chinese descent can trace their family's arrival in Canada to three main periods. From the mid- to late 1800s, thousands of Chinese men arrived in Canada, initially to work in the Cariboo gold fields and then to build the Canadian Pacific Railway. This community of pioneers, while largely segregated from white society, met many of the needs of the growing frontier economy in such endeavours as market gardens, laundries, restaurants, coal mines, and West Coast canneries. On the historic O'Keefe ranch, established near Vernon in 1867, you can still visit the one-room shack reserved for the "Chinese cook."



A new wave of Chinese families came to Canada once the Chinese Exclusion Act of 1923 was repealed in 1947. This wave included women and children who had been denied the right to join their husbands, fathers, brothers, and sons who had immigrated to Canada. Also at this time, Canadians of Chinese descent finally won the right to vote and to work as professionals. Many became doctors and lawyers, accountants and politicians. In 1957, Douglas Jung, a Conservative, became the first Canadian of Chinese descent to be elected to Parliament, representing my former riding of Vancouver Centre.

In 1967, Canada adopted an immigration policy that grants citizenship on the basis of skills and education. This brought to Canada many highly educated professional Chinese from Hong Kong, Taiwan, Southeast Asia, and, increasingly, mainland China. On my recent return to China in November, 1998, for the first bilateral meeting of the Canada-China Legislative Association, I was intrigued by Canadian-educated children of these immigrants who have returned to China to work in business and commerce in cities like my birthplace of Shanghai.

Canadians of Chinese descent have changed the face of Canadian cities, integrating into our society and making it one of the most cosmopolitan in the world. They have reinforced and enriched many cherished Canadian values, including tolerance, thrift, family values, entrepreneurial spirit, and respect for culture. They now serve as university chancellors, leading scientific and medical researchers, world-famous musicians, award-winning authors, broadcasters, fashion designers, and respected political and community leaders.

Many Chinese-Canadian organizations and services enrich our communities. In Vancouver, for example, the Dr. Sun Yat-sen Classical Chinese Garden, the Chinese Cultural Centre, and SUCCESS (the United Chinese Community Enrichment Services Society) are helping new citizens integrate into the larger community and are bringing the richness of Chinese culture to the larger community. SUCCESS is celebrating its twenty-sixth anniversary with a gala this Friday, February 19, which will be attended by thousands of people in Vancouver.

Honourable senators, the important place of Chinese traditions, such as the dragon boat races, lion dances, and Chinese New Year, in our national calendar of events illustrates the many contributions that Canadians of Chinese descent have made to our sense of country. Chinese New Year, a delightful event that brightens our dark Canadian winters, is celebrated across the country in spectacular venues. I hope you will be able to participate in this year's festivities. I would wish every one a very happy and prosperous New Year in this Year of the Rabbit.

## AGRICULTURE

1999 ROUND OF WORLD TRADE ORGANIZATION  
NEGOTIATIONS—PRELIMINARY DOCUMENT ON FACT-FINDING  
MISSIONS BY AGRICULTURE AND FORESTRY COMMITTEE

**Hon. Dan Hays:** Honourable senators, from January 25 to February 3, certain members of the Standing Senate Committee on Agriculture and Forestry travelled in Europe on a fact-finding

mission to learn more about our world in terms of something that will take place beginning in the fall of this year — the opening of a new World Trade Organization round, which will follow the Uruguay Round which we signed in 1994.

There is no time in the period allowed for Senators' Statements to deal in any detail with what we learned and what we saw as problems for the negotiators that Canada will instruct this fall in terms of doing a good job of furthering the interests of Canadian agriculture. The experience of Canadian agriculture since 1994 has been mixed. Clearly, trade has flourished, and in many areas Canada has been well served by the Uruguay Round; however, there are some serious questions as to how well we have been served in agriculture. It was the purpose of the committee to discover what they could about that important issue. I remind honourable senators that the committee has done extensive work in this area on fact-finding missions in the United States as well.

There is no procedure for tabling a preliminary document, but the committee has prepared such a document. I ask leave, honourable senators, to table that document in both official languages at this time. It does not fit under a precise heading on our Orders of the Day. I am told, having investigated this matter through the clerk, that I should ask for leave to do that now. I do so in the name of the Chairman, the Honourable Leonard Gustafson, as well as other members of the committee.

**The Hon. the Speaker:** Is leave granted, honourable senators?

**Hon. Senators:** Agreed.

## THE SENATE

### RESPONDING TO ARTICLES IN THE PRESS

**Hon. Donald H. Oliver:** Honourable senators, the Senate of Canada is a valuable institution, and the current appointed members make an invaluable contribution to the democratic process, but both the institution and the senators are under constant attack. The most recent was this past weekend in a Jane Taber article in *The Ottawa Citizen* entitled "Senate Busters say campaign is catching on" that promoted the Gallaway-Nystrom campaign to gut the Senate.

The article began by complaining that a Senate subcommittee of the Standing Committee on Agriculture and Forestry has taken nearly two years and spent \$173,000 of Canadian taxpayers' money to study boreal forests in Canada. Gallaway is quoted as saying that senators have a penchant for getting on a plane and leaving the country. Most of us do a little bit more than that. The Senate is not perfect, but it is not as bad as the raving two from the other place paint it.

My concern, honourable senators, is that this story, and so many others like it, is going virtually unchallenged. The Taber story contains many inaccurate statements. It should be defended, but in this place there is no will from the top for either a defensive strategy or any type of program for constructive change.

The majority of us who work hard to discharge our public duties are left stranded and abandoned by the leadership in the Senate, to be chewed away by the media vultures. If the leadership refuses to act, the Senate itself should take the initiative for renewal and internal reform.

However, perhaps there is a reason for the inaction and apparent apathy.

• (1420)

The Taber article made an interesting observation. It says that even the PMO has given its silent support to the Gallaway campaign to denigrate the Senate, that Gallaway was visited by a senior member of that office and encouraged to continue his campaign.

In the face of that possibility, what can our government leadership do? They certainly cannot act against the will of the Prime Minister. If the Prime Minister is desirous of damaging the Senate, what can his leadership do? It is he, after all, who appointed the Leader of the Government in the Senate, appointed the Speaker of the Senate, appointed the Deputy Leader of the Senate, appointed the government whip. Is it any wonder that we get only silence from the government benches in the Senate?

Honourable senators, we will continue to be criticized unjustly, smeared and held up to ridicule until the Senate itself decides to act. I urge all honourable senators to carefully consider their options. It is painfully obvious that we cannot expect much from the leadership opposite.

## NUNAVUT

### RESULTS OF FIRST ELECTION

**Hon. Willie Adams:** Honourable senators, I would like to put on the record the outcome of the elections held yesterday in Nunavut. We had 71 candidates for only 19 seats. To break it down between males and females, we had 11 females and 60 males running. One female was elected to the new Nunavut legislature to begin on April 1. Three natives ran and all were elected. We have nothing against any other Canadian citizen — it does not matter who you are as long as you are willing to work for Nunavut's future.

Honourable senators, I do not have time to give you all the names; therefore, I seek leave to put on the record in the Senate the details of the election. We look forward to hearing more about the newly elected legislators in Nunavut — all Liberals.

**The Hon. the Speaker:** Honourable senators, is leave granted to place the information that Senator Adams wishes on the record?

**Hon. Senators:** Agreed.

(For text of document, see Appendix, p. 2608.)

## MOTHERS AGAINST DRUNK DRIVING

### RECOMMENDATIONS TO HOUSE OF COMMONS JUSTICE AND HUMAN RIGHTS COMMITTEE

**Hon. Marjory LeBreton:** Honourable senators, this morning, MADD Canada — Mothers Against Drunk Drivers — appeared before the justice committee of the House of Commons. Drunk driving is the number one criminal cause of death and injury in Canada. As the President of MADD Canada, Susan McAskill, said during her appearance, “we want to see this 100-per-cent-preventable crime stopped.”

Honourable senators, we must come to terms with this national tragedy. Our laws must be amended to ensure action. Why would any civilized society ignore this problem?

As many of you may know, I am on the national board of MADD Canada. It is a unique organization. None of us asked to be members; all of us wish our membership was not necessary, and all of us have as our goal the disbanding of MADD because there is no longer a need for such an organization.

In the submission made this morning, MADD made 11 recommendations. Senate time does not allow a detailed description of each but they include the following:

First, mobile digital breath test units should be allowed as an approved instrument for police. Second, allow the police to use passive alcohol sensors, which would significantly increase their ability to accurately detect drivers who have been drinking. Third, police should be authorized to demand a physical coordination test from any driver whom the officer reasonably suspects has any alcohol in his or her body.

Fourth, the limit should be increased from two-hours to three hours for demanding breathalyzer and ASD tests and to four hours in cases of impaired driving causing bodily harm and impaired driving causing death. This is very important, honourable senators. In serious crashes, police are busy securing the scene, dealing with spectators and ensuring that those who need immediate medical attention receive it. Two hours may elapse before an officer can turn his or her attention to the criminal investigation, and often this results in impaired drivers escaping criminal responsibility.

Fifth, we should expand the grounds under which police can demand a breathalyzer to all drivers involved in crashes that result in a fatality or personal injury. Sixth, there should be strict enforcement of the blood alcohol legal limit. While the national policy of MADD is to lower the blood alcohol limit to 0.05, we must first do everything possible to ensure that the present law with its level of 0.08 is enforced, which is not now the case.

Seventh, the Criminal Code should provide tiered penalties for driving with a blood alcohol level above 0.08; the higher the level, the heavier the sentence. Eighth, authorization should be given for mandatory assessment and, if warranted, treatment of offenders, in addition to the convictions and sentencing, should be based on user-pay. The curative discharge provisions in the Criminal Code should be repealed.

Ninth, we should amend the Criminal Code so that charges for impaired driving, driving with a blood alcohol level above 0.08, and failing to provide breath and blood samples, should be tried only in provincial court to prevent abuses and delays. Tenth, we should allow alcohol interlocks as a term of probation for drinking and driving offenders. Current technology is highly sophisticated and we should embrace this alcohol interlock technology which has proven effective in the United States and in Alberta in reducing the cycle of repeat impaired driving offenders.

Finally, Parliament should commit itself to undertaking a formal review of the federal drinking and driving legislation every 10 years to determine the law's efficiency in reducing drinking and driving and the deaths, injuries and social costs that it generates.

In closing, I cannot emphasize enough what is the national tragedy of drunk driving. This is not a social problem. These are criminal acts involving the deaths and injuries of thousands of innocent victims. You know the statistics: 4.5 Canadians killed and 125 Canadians injured daily.

My daughter and grandson were killed by a drunk driver on January 21, 1996, or 1,095 days ago. Since that time, another 5,044 Canadians have been killed and another 140,125 injured, and hundreds of thousands of Canadians have had their lives drastically altered and affected.

Honourable senators, the time to act is now.

## ROUTINE PROCEEDINGS

### INSURANCE COMPANIES ACT

#### BILL TO AMEND—REPORT OF COMMITTEE

**Hon. Michael Kirby**, Chair of the Standing Senate Committee on Banking, Trade and Commerce, presented the following report:

Tuesday, February 16, 1999

The Standing Senate Committee on Banking, Trade and Commerce has the honour to present its

#### TWENTIETH REPORT

Your Committee, to which was referred the Bill C-59, to amend the Insurance Companies Act has examined the said Bill in obedience to its Order of Reference dated Thursday, February 4, 1999, and now reports the same without amendment, but with the following observations:

1. The bill contained two parchment errors;

the Law Clerk was directed to correct these on behalf of the Senate by clerical action; and

the subject-matter of the correction of parchment errors should be a subject of review by the Privileges, Standing Rules and Orders Committee.

2. Since members of the committee expressed concerns about the completeness and comprehensibility of the information that would be made available to policyholders by companies, the Chairman agreed to write a letter to the Superintendent of Financial Institutions requesting assurances that:
  - (a) information distributed to policyholders would be written in plain language;
  - (b) there would be full and complete disclosure of all relevant information required by policyholders in order for them to make an informed decision;
  - (c) the Superintendent of Financial Institutions would provided annually a report on the process of demutualization.

The committee expects an acceptable written reply from the Superintendent of Financial Institutions before the bill receives third reading.

Respectfully submitted,

**MICHAEL KIRBY**  
*Chair*

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the third time?

On motion of Senator Kirby, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

•(1430)

### COMPETITION ACT

#### BILL TO AMEND—MOTION TO CONCUR WITH MESSAGE FROM COMMONS—REPORT OF COMMITTEE

**Hon. Michael Kirby**, Chair of the Standing Senate Committee on Banking, Trade and Commerce, presented the following report:

Tuesday, February 16, 1999

The Standing Senate Committee on Banking, Trade and Commerce has the honour to present its

#### TWENTY-FIRST REPORT

Your Committee, to which was referred the motion of the Honourable Senator Graham, regarding certain amendments to Bill C-20, An Act to amend the Competition Act and to make consequential and related amendments to other acts, and the Message from the House of Commons on the same subject, dated February 5, 1999, has, in obedience to the Order of Reference dated February 11, 1999, examined the said motion and Message and now reports as follows:



The Committee recommends that the Senate concur in the amendments made by the House of Commons in the Message dated February 5, 1999.

Respectfully submitted,

MICHAEL KIRBY  
*Chair*

**The Hon. the Speaker:** Honourable senators, when shall this report be taken into consideration?

On motion of Senator Kirby, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

### INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

#### THIRTIETH REPORT OF COMMITTEE PRESENTED

**Hon. Bill Rompkey**, Chairman of the Standing Committee on Internal, Economy, Budgets and Administration, presented the following report:

Tuesday, February 16, 1999

The Standing Committee on Internal Economy, Budgets and Administration has the honour to present its

#### THIRTIETH REPORT

Your Committee recommends the adoption of Supplementary Estimates (C) \$1,975,500 for fiscal year 1998-99. These funds are required for three purposes: i) to meet operational shortfalls in Committees and Parliamentary Associations; ii) to cover costs related to employee salaries and benefits; and iii) to replace outdated computer equipment.

The present fiscal year has been unprecedented in terms of Committee work; the number of witnesses who have testified, the number of meetings that have been held and the number of hours committees have worked have far exceeded the five year average. At least 17 major Committee reports have already been made to the Senate during the year. These reports were:

By the Banking, Trade and Commerce Committee:

*Pension Plan Investment Board: Getting It Right* (April 1998);

*Modified Proportionate Liability* (September 1998);

*Comparative Study of Financial Regulations Regime* (October 1998);

*The Governance Practices of Institutional Investors* (November 1998);

*A Blueprint for Change — Response to the Report of the Task Force on the Future of the Canadian*

*Financial Services Sector* (3 volumes) (December 1998).

By the Agriculture and Forestry Committee:

*Bill C-4, Canadian Wheat Board* (May 1998).

By the Fisheries Committee:

*Privatization and Quota Licensing in Canada's Fisheries* (December 1998).

By the Social Affairs, Science and Technology Committee:

*The Federal Child Support Guidelines* (June 1998);

*Guarding History: A Study into the future, Funding and Independence of the Canadian War Museums* (May 1998).

By the Foreign Affairs Committee:

*Crisis in Asia: Implications for the Region, Canada and the World* (December 1998).

By the Legal and Constitutional Affairs Committee:

*Bill C-220, Profit from Crime* (June 1998);

*Bill C-37, Judges Act* (October 1998);

*Bill C-25, National Defence Act* (November 1998);

*Bill C-3, DNA Identification* (December 1998).

By the Special Joint Committee on Child Custody and Access:

*For the Sake of the Children* (December 1998).

By the Special Committee on Security and Intelligence:

*Final Report* (January 1999).

By the Special Senate Committee on Transportation Safety and Security:

*Interim Report* (January 1999).

There are a number of other committee reports expected as well. These are:

By the Social Affairs, Science and Technology Committee:

— on the effects of globalization and technology on social cohesion in Canada;

— on the health care of Canadian veterans.

By the Aboriginal Peoples Committee:

— on Aboriginal self-government (interim report).

By the Transport and Communication Committee:

- on the impact of new technology on Canadian cultural policy.

By the Agriculture and Forestry Committee:

- on the status of the Boreal Forest;
- on the bovine growth hormone (rBST).

By the Banking, Trade and Commerce Committee:

- on equity financing.

Additional funds of \$600,000 are therefore requested to meet Committee expenses.

This Supplementary Estimate also includes an amount for the establishment of a Canada-China Legislative Association which was recommended by the Joint Interparliamentary Council and approved by the House of Commons. The Senate portion of the cost is \$27,500.

An amount of \$1,163,000 is also included to fund personnel-related expenses. On the advice of Treasury Board, the salary increases retroactive to April 1, 1998, were not included in the 1998-99 Main Estimates. In addition, because of the Department of Human Resources Development's new cost recovery policy, the Senate must reimburse the Department for its share of workers' compensation. The requested funding is also needed for severance pay.

The remaining \$185,000 will cover the costs of replacing computer equipment within the Senate administration. Such funds are required to maintain the institution's investment in information technology and infrastructure and continued compatibility with Parliament Hill programmes.

Respectfully submitted,

WILLIAM ROMPKEY  
*Chairman*

**The Hon. the Speaker:** Honourable senators, when shall this report be taken into consideration?

On motion of Senator Rompkey, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

THIRTY-FIRST REPORT OF COMMITTEE PRESENTED

**Hon. Bill Rompkey**, Chairman of the Standing Committee on Internal, Economy, Budgets and Administration, presented the following report:

Tuesday, February 16, 1999

The Standing Committee on Internal Economy, Budgets and Administration has the honour to present its

### THIRTY-FIRST REPORT

Your Committee has examined and approved the Senate Estimates for the fiscal year 1999-2000 and recommends their adoption.

The Expenditure Plan 1999-2000 and a summary accompanies this report.

Respectfully submitted,

WILLIAM ROMPKEY  
*Chairman*

*(For text of summary, see today's Journals of the Senate, Appendix, p. 1280.)*

**The Hon. the Speaker:** Honourable senators, when shall this report be taken into consideration?

On motion of Senator Rompkey, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

[Translation]

### ADJOURNMENT

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(h), I move:

That when the Senate adjourns today, it do stand adjourned until tomorrow, Wednesday, February 17, 1999, at 1:30 p.m.

**The Hon. the Speaker:** Is leave granted, honourable senators?

**Hon. Senators:** Agreed.

Motion agreed to.

[English]

### NATIONAL DEFENCE

DEBATE RESPECTING POSTING OF TROOPS  
OUTSIDE CANADA—NOTICE OF INQUIRY

**Hon. J. Michael Forrestall:** Honourable senators, I give notice that on Thursday next, February 18, 1999, I will call the attention of the Senate to the matter of public debate respecting the posting of Canadian Armed Forces personnel to Kosovo, in particular, but generally into zones of activity outside of Canada.

## NUCLEAR WEAPONS

### RESPONSE OF GOVERNMENT TO REQUESTS AND RECOMMENDATIONS—NOTICE OF INQUIRY

**Hon. Douglas Roche:** Honourable senators, I give notice that Thursday next, February 18, 1999, I will call the attention of the Senate to the urgency of the Government of Canada saying “no” to becoming involved in a U.S. missile-defence system; and the need for the Government of Canada to contribute to peace by implementing the 15 recommendations in the report of the Standing Committee on Foreign Affairs and International Trade, “Canada and the Nuclear Challenge: Reducing the Political Value of Nuclear Weapons for the Twenty-first Century.”

## BLACK HERITAGE MONTH

### UNDERGROUND RAILROAD AND NAZREY AFRICAN METHODIST EPISCOPAL CHURCH IN AMHERSTBURG, ONTARIO—NOTICE OF INQUIRY

**Hon. Eugene Whelan:** Honourable senators, with leave of the Senate and notwithstanding rule 57(2), I give notice that tomorrow, Wednesday, February 17, 1999, I will call the attention of the Senate to the celebration of Canada's black heritage commemorations related to the Underground Railroad (UGRR), and particularly the national historic site the Nazrey African Methodist Episcopal Church in Amherstburg, Ontario, and its role.

**The Hon. the Speaker:** Is leave granted, honourable senators?

**Hon. Senators:** Agreed.

## PAGES EXCHANGE PROGRAM WITH HOUSE OF COMMONS

**The Hon. the Speaker:** Honourable senators, I wish to introduce the page from the House of Commons who is on exchange with the Senate this week. Jeremy Weibe is studying in the Faculty of Arts at Carleton University. His major is in Canadian Studies. I might point out that Jeremy is from Winnipeg, Manitoba.

## QUESTION PERIOD

### MILLENNIUM SCHOLARSHIP FOUNDATION

#### ADMINISTRATION OF FUND—COMMENCEMENT OF ISSUING GRANTS—GOVERNMENT POSITION

**Hon. Ethel Cochrane:** Honourable senators, last Sunday, *The Ottawa Citizen* reported that there have been delays in setting up the foundation to administer the millennium scholarship fund, that no arrangements have yet been made for processing award applications, and that there may be delays beyond next January in sending out award money. These scholarship funds have already been delayed for two years for no good reason, when the government already has the money set aside.

Can the Leader of the Government give a guarantee to post-secondary students that the government will begin to send out scholarship money next January?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, the answer is in the affirmative, and I thank the honourable senator for her question. My understanding is that the board of directors of the Millennium Scholarship Foundation will be meeting later this week to discuss procedures. I look forward to receiving a report from that meeting, as do all honourable senators.

•(1440)

I hope we can report progress on the concerns raised by the Honourable Senator Cochrane.

**Senator Cochrane:** Honourable senators, could the Leader of the Government tell us what progress has been made in negotiating arrangements with the provinces for the administration of the scholarship fund?

**Senator Graham:** My understanding is that negotiations are ongoing with all of the provinces, including Quebec. I know that the provincial minister responsible in Quebec has expressed an interest in meeting with Minister Pettigrew. While Minister Pettigrew has not specifically been designated as the minister responsible for this particular file, I am sure that he would be willing to meet with the minister at any time. While there are ongoing discussions between the federal and provincial governments, I would emphasize that the Millennium Scholarship Foundation is at arm's length from the Government of Canada.

## NATIONAL DEFENCE

### SEARCH AND RESCUE HELICOPTER REPLACEMENT PROGRAM—PROBLEMS IN INCIDENT REPORTS ON SEA KING HELICOPTERS—ANNOUNCEMENT OF DECISION— GOVERNMENT POSITION

**Hon. J. Michael Forrestall:** Honourable senators, my question to the Leader of the Government relates to the significant incident report which has been issued with respect to ignition problems with the 35-year-old Sea King helicopters.

There have been seven engine failures in a month, six on start-up and one on taxiing. Start-up is one thing, but an engine failure during taxiing or during any mobility of that piece of equipment is a very serious matter.

My question is: How long will Sea King crews, like the Labrador crews, be stuck with an unreliable and ageing aircraft before this government finds the wherewithal in its budget for new maritime helicopters?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I appreciate the fact that Senator Forrestall has used the term “start-up,” because I should like to stress that the problem is a start-up problem. It has not affected airborne aircraft, and as such, we do not, at this time, foresee a need to ground the Sea King fleet.



I have been advised that a team at Shearwater is investigating the cause of the engine start-up problems and that appropriate steps are being taken to rectify the situation.

**Senator Forrestall:** Honourable senators, as I understand it, under 10 flameouts a year is normal, but seven in one month is extraordinary.

As the minister knows, the Sea King's engine is the T-58 model, the same engine that has plagued the Labrador helicopter for some two or three years now. When will the Sea King fleet be re-engined, or is there any plan to re-engine that fleet?

**Senator Graham:** Senator Forrestall mentioned the figure seven with respect to the engine start-up problems. Senator Forrestall would know that start-up problems are not an uncommon occurrence in any aircraft. However, the government and the Department of National Defence are concerned that, over the past few weeks, six aircraft at 423 squadron have experienced difficulties.

The causes of the problem in four of the six aircraft have been identified and are being addressed. Questions remain as to the cause of the engine start-up problems in the two remaining helicopters. The possible causes are being investigated. As I have said on many occasions, the Canadian Forces will not fly unsafe aircraft.

With respect to the question of new engines, I would take that under advisement. As I have said on earlier occasions, the Minister of National Defence is discussing with his officials the appropriate process that will be followed with respect to the replacement of the Sea Kings.

SEARCH AND RESCUE HELICOPTER REPLACEMENT  
PROGRAM—MAINTENANCE PROGRAM OF SEA KING  
HELICOPTERS—CONTINGENCY PLAN IN EVENT OF  
GROUNDING—GOVERNMENT POSITION

**Hon. J. Michael Forrestall:** Honourable senators, I should like to put this question to the minister: With the Sea Kings doing virtually all of the search and rescue work in Canada, what backup or contingency plans does the government have in place, should the ministry decide that this equipment is simply not safe to fly and shall be grounded until such time as the cause of these flameouts and stalling is identified? What is the backup contingency plan? As of this afternoon, search and rescue capability in Canada is virtually non-existent.

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, as I have said on other occasions, the government has not ruled out leasing as an option. However, I wish to assure honourable senators that the Minister of National Defence, in conjunction with his departmental officials and members of the Armed Forces, are in the final stages of the development of a procurement strategy.

## SOLICITOR GENERAL

COMMISSION OF INQUIRY INTO TREATMENT OF PROTESTORS AT  
APEC CONFERENCE BY RCMP—PROVISION OF FUNDS  
FOR DEFENCE OF STUDENTS—INFLUENCE OF QUESTIONS  
IN SENATE—GOVERNMENT POSITION

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, could the Leader of the Government in the Senate advise us whether or not the many questions and representations made in this chamber relative to the necessity of having funding provided by the government for the complainants who are involved in the APEC hearing had any influence on the decision by the government to now fund the complainants?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I do not believe the Senate can claim exclusive responsibility or credit for the decision that was made. However, I would assure Senator Kinsella and all honourable senators who participated in the vigorous debates that took place on earlier occasions with respect to this very important subject that I think it did have the desired effect.

## NATIONAL DEFENCE

PARTICIPATION IN PROPOSED UNITED STATES BALLISTIC MISSILE  
DEFENCE INITIATIVE—GOVERNMENT POSITION

**Hon. Douglas Roche:** Honourable senators, two weeks ago I called the attention of the government leader in the Senate to the attempt by the United States to involve Canada in the development of a ballistic missile defence system.

Since then there has been a torrent of comment, not least from the governments of Russia and China, protesting this violation of the Anti-Ballistic Missile Treaty and warning that a missile defence system will result in a collapse of nuclear disarmament efforts.

Can the Leader of the Government tell us if the Government of Canada has yet been seized with the gravity of this issue and the need to deal with it now? If so, has the government informed the United States that Canada will not be a party to the destruction of nuclear disarmament efforts through this "son of Star Wars"?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, as I indicated previously to the Honourable Senator Roche, there have been ongoing discussions. The government is seized with the gravity of the situation.

When the suggestion is that talking, considering or dreaming about it is a violation of the treaty, the honourable senator may be right, though I am not convinced that is accurate. When I indicate that there is ongoing discussion or ongoing consideration, I do not believe that is in violation of the treaty. However, the Honourable Senator Roche raises an important point, and if there is any new information available that I can bring to the chamber, I shall be happy to do so.

**Senator Roche:** Honourable senators, the point that I am raising with the government leader is that the Government of Canada should be acting now, before any deployment procedure in the first years of the next century, when it will be too late for Canada to absent itself from this misplaced effort.

•(1450)

Would the Leader of the Government in the Senate not agree that a far more responsible step for the Government of Canada to take would be to adopt the 15 recommendations in the recent report on nuclear weapons of the Standing Committee on Foreign Affairs and International Trade, which centre on moving NATO to a position of less reliance on nuclear weapons?

**Senator Graham:** Honourable senators, I would be pleased to bring those recommendations to the attention of the Minister of Foreign Affairs and the Prime Minister.

### THE SENATE

#### ARTICLE IN PRESS REGARDING ABOLITION— LACK OF RESPONSE BY PRIME MINISTER'S OFFICE— GOVERNMENT POSITION

**Hon. Donald H. Oliver:** Honourable senators, my question is directed to the Leader of the Government in the Senate. It relates to the Jane Taber article in *The Ottawa Citizen* on Saturday, February 13 entitled "Senate Busters say campaign is catching on."

In tracing the anti-Senate campaign of Gallaway and Nystrom, Taber said:

Even the PMO has given its silent support. Mr Gallaway was visited by a senior member of that office and encouraged to continue his campaign. There is a school of thought that Prime Minister Jean Chrétien may want to abolish the Senate as his legacy to improving the Canadian federation. And though Mr. Chrétien has only said that Mr. Gallaway has the right to seek the opinions of Canadians on the matter, there are subtle signs of approval.

Will the Leader of the Government tell us whether his government, led by the Prime Minister, is actively seeking the dissolution of the Senate as a way of improving the Canadian federation and, if not, why he remains so silent and takes no initiatives to defend the institution?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I do not know which of those questions my honourable friend wants me to answer first, but I would say a resounding "no" to most of what he has said.

When Senator Oliver participated earlier under Senators' Statements, I thought he may have been preaching for a call. I would remind him that he would have to join the Liberal Party

before he could sit on this side and take part in the leadership functions.

However, I take his concerns very seriously.

I read the article in *The Ottawa Citizen*. It was as inaccurate as some other articles that I have read by that writer. For example, the day before the announcement with respect to the Cape Breton Development Corporation, the same writer said that Devco had been sold to an American company. I was in Nova Scotia when I was notified of the story. I immediately issued a denial stating that no one had been authorized to negotiate the sale of Devco on behalf of the Government of Canada.

I am not aware that anyone from the Prime Minister's Office has visited Mr. Gallaway and supported what he is doing. It would be very interesting if, before making such allegations, Senator Oliver did some investigative journalism and questioned the author, Ms Taber, to learn the source of her information that someone from the Prime Minister's Office visited Mr. Gallaway's office.

While we are at it, it would be an interesting study for the Senate to compare Senate attendance records with voting attendance records in the other place, especially the records of those who are advocating the abolition of the Senate.

That article in question alleges that members of this place are less educated than members of the other place. Senators can do their own research on that. I do not think a university degree is the be-all and end-all, but if a university degree is a criterion, I think the percentage would be higher in the Senate than in the other place.

For the comfort of Senator Oliver, I want to assure honourable senators that I am not aware of any secret plot on the part of the Prime Minister or the Prime Minister's Office to abolish the Senate. I am sure that Senator Oliver will be here until he reaches the retirement age of 75. I am sure that he will continue to make an outstanding contribution to this chamber and to ask such important questions of the Leader of the Government in the Senate.

#### ELECTION OF LEADER OF THE GOVERNMENT BY PEERS— GOVERNMENT POSITION

**Hon. Donald H. Oliver:** Honourable senators, I have a supplementary for the Leader of the Government in the Senate. The leader is, of course, appointed by the Prime Minister and owes allegiance to the Prime Minister, whereas the Leader of the Opposition in the Senate is elected by his peers and is, accordingly, responsible to them and not to any party leader.

Will the Leader of the Government in the Senate recommend a similar system for himself?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, if that would lighten the burden of problems that I am currently carrying, I would be 100 per cent in favour of that process.



## CAPE BRETON DEVELOPMENT CORPORATION

### ANNOUNCEMENT OF PRIVATIZATION—ASKING PRICE FOR PRINCE COLLIERY—PROCESS OF SALE

**Hon. Lowell Murray:** Honourable senators, the leader's reference a moment ago to the Cape Breton Development Corporation has inspired me to rise and ask a question. In view of the announcement by the government that it intends to close the Phalen colliery and privatize the Prince mine, what is the government's asking price for the Prince colliery?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I do not know of any asking price. I am sure that those responsible for such matters have the question under active consideration. Quite honestly, I do not know of any particular company that has expressed an interest in purchasing the assets of Devco. The process is just now beginning. The government would want to employ the appropriate financial advisers in this very important matter. Of course, the chairman and the board of directors of Devco would have a very important role to play. The Government of Canada, through the Minister of Finance, the Minister of Natural Resources and ultimately the Prime Minister, would have to adjudicate the entire process and determine what the sale figure might be.

**Senator Murray:** What is the process?

**Senator Graham:** The Minister of Natural Resources has consulted with the Chairman of the board of the Cape Breton Development Corporation. The process has not yet been put in place, but as soon as it is, I will bring that information to the attention of all honourable senators.

## ORDERS OF THE DAY

### QUESTION OF PRIVILEGE

#### SPEAKER'S RULING

**The Hon. the Speaker:** Honourable senators, I am prepared to proceed with my ruling on the question of privilege raised by the Honourable Senator Kinsella. Before I do so, I want to explain why I took as long as I did to finalize my statement.

•(1500)

I had difficulty making this ruling due to the substance. I share in the indignation and sense of outrage that prompted Senator Kinsella to bring this issue to the attention of the Senate. We in this chamber, where 31 of our members are women, know the value of their contribution to public affairs. To see any of our parliamentary colleagues debased in the way in which Minister Copps has been is hard to accept. It is demeaning and offensive. Such depictions do nothing to contribute to the process of public debate. It is no more than salacious exploitation of the fact that the minister is a woman. However, my ruling must be in accordance with the *Rules of the Senate of Canada*.

My ruling, therefore, is: On Tuesday, February 2, at the conclusion of Orders of the Day, Senator Kinsella rose to speak on a question of privilege of which he had given notice earlier. The subject of the senator's question of privilege had to do with the current issue of *Hustler* magazine, alleged to contain some lewd and obscene references to the Minister of Canadian Heritage, the Honourable Sheila Copps. According to the senator, the intent of the magazine's publishers was to intimidate the minister, who is the sponsor of Bill C-55. This bill is currently being considered in the other place. The purpose of Bill C-55, as Senator Kinsella explained, is to make it illegal to solicit Canadian advertisers to place ads in split-run magazines, including, apparently, *Hustler* magazine. In presenting his case, Senator Kinsella cited some recent newspaper accounts as evidence that *Hustler* magazine opposes the objectives of this bill.

By raising this matter as a question of privilege rather than as a substantive motion that could be debated after notice, Senator Kinsella is seeking to have all other Senate business put aside so that it might be considered as a matter of the utmost importance. To achieve this, the senator has asked me, as Speaker, to recognize the *prima facie* merits of his question of privilege.

[Translation]

In presenting his case, Senator Kinsella did acknowledge that his question of privilege is somewhat unusual in that it involves a minister who is not a member of this chamber. The senator also admitted that, and I quote:

A careful reading of the *Rules of the Senate* speaks of the duty of every senator to preserve the privileges of the Senate and not necessarily the privileges of the other place.

Nonetheless, the senator expressed his conviction that the attack on the minister is really an attack on all parliamentarians. It is Senator Kinsella's contention that, unless Parliament takes steps to deal with this kind of attack, it could have a chilling effect on the process of debate that is at the very core of our parliamentary system. As Senator Kinsella put it, the work of Parliament should not be obstructed or influenced by the improper means utilized by *Hustler* magazine.

[English]

After some brief exchanges between Senator Kinsella and Senator Stewart, Senator Robertson intervened to recall a similar incident that had occurred several years ago. At that time, however, no question of privilege was raised.

The position taken by Senator Kinsella was then strongly endorsed and supported by Senator Cools. According to the senator, Parliament has been timid in recent years in the defence of its own privileges and the media have often taken advantage of this situation. Explaining that she was speaking from first-hand experience, Senator Cools stated that this technique to embarrass and shame politicians has often been used in the past. The attack on the minister, in the senator's judgment, was nothing less than a vulgar attempt to offend.



In the course of her remarks, Senator Cools also reiterated a point that had been stressed by Senator Kinsella. Both explained that the Speaker, in making a *prima facie* ruling, is not assessing the question of privilege itself. Rather, the role of the Speaker is limited to deciding whether there is sufficient evidence at first sight to give this issue priority of debate.

[Translation]

Senator Fraser then suggested that some consideration in this matter had to be given the right of freedom of speech and of the press. In her view, these constitutional guarantees which are fundamental to our free society mean that we, as parliamentarians, must accept the possible risk of exposure to cruel personal attack by the media. It is a price that must be paid, she said, in a society that professes to be free. The senator's comments were made after noting that Minister Copps has responded to the *Hustler* magazine insult with dignity and forbearance. This was also indirectly acknowledged by Senator Kinsella who had noted that the minister had taken no action to raise the matter as a question of privilege in the other place. Senator Fraser concluded by expressing some apprehension in establishing a precedent that might have the effect of granting to parliamentarians privileges beyond those enjoyed by ordinary citizens.

[English]

Finally, Senator Carstairs joined the debate. Like the others, the senator agreed that the article in the magazine was disgusting and degrading. As an attack on female politicians, the senator said, the magazine was particularly offensive. Senator Carstairs took note of the fact that Senator Kinsella had mainly focused on the question of whether it had offended the privileges of parliamentarians as a whole and not just the minister. The question that the Speaker had to address, Senator Carstairs said, was whether the privileges of Parliament had been so jeopardized that they must override any claims to freedom of speech or press. The senator concluded her remarks by citing two relevant references from the sixth edition of Beauchesne, including a citation about direct threats to influence the actions of parliamentarians.

Let me begin by thanking all the senators who expressed their views on this matter. As Speaker, I find it useful when there is a full discussion of the issues involved in any alleged question of privilege or point of order. It assists me in coming to an understanding of the specific elements of the particular question or point. This, in turn, provides me with the framework I need to reach a decision on the merits of each case.

While the focus of my ruling is not the actual publication of *Hustler* magazine and the lewd depiction of the Minister of Canadian Heritage, I will confess that I was disgusted by the article. Portraying Minister Copps in this loathsome fashion is, I believe, a degrading sexist assault on all female parliamentarians. I am certain that there is no one in this chamber who would doubt that this publication is indeed very objectionable. If it does in fact have any connection to the debate on Bill C-55, it need hardly be said that it is a despicable contribution to the process of public debate.

[Translation]

In presenting his case, Senator Kinsella made it clear that what he was seeking was an opportunity to bring the publishers of *Hustler* magazine before a parliamentary committee to have them explain, and I quote:

...why they chose to resort to these sexist tactics in their opposition to Bill C-55.

This is certainly an understandable request, given the facts that he presented. As Speaker, however, my task is to determine whether the question of privilege has sufficient merit *prima facie* to be accorded priority over all other business of the Senate.

To make this determination, I am obliged to consider the *Rules of the Senate* as well as any relevant precedents. Rule 43, which was adopted in its current form in 1991, lists certain criteria that must be met to be considered a valid question of privilege. The question must, for example, be raised at the first opportunity. Certainly with respect to this criterion, there is no doubt that Senator Kinsella raised the matter at the earliest possible opportunity he could, the very first day the Senate resumed its sitting following the holiday adjournment.

[English]

The second criterion is that a putative question of privilege must "be a matter directly concerning the privileges of the Senate, of any committee thereof, or any senator; ..."

With regard to this point, Senator Kinsella acknowledged that "a careful reading" of the rules would indicate that his question of privilege would not appear to meet this condition. It is conceded that the target of the magazine article, the Minister of Canadian Heritage, is not a member of this chamber. As well, no evidence was presented to indicate that the minister had been intimidated by the publication in any way. It was also noted that the minister has not sought to raise the matter in the other place as a question of privilege. Moreover, Senator Kinsella did not provide me with any precedent from Canada or any other jurisdiction where one House of Parliament considered a question of privilege that related directly to a member of the other house.

Senator Kinsella's argument for a question of privilege, however, was not limited to the attack on the minister. The senator went further to suggest that sordid publications of this kind could have an intimidating effect on other parliamentarians, including senators, who could be deeply offended and hurt by such a disgusting portrayal. I agree that, were this to happen, if it were ever claimed that senators felt that they were under some kind of direct threat that prevented them from discharging their parliamentary responsibilities, it could result in a serious question of privilege. However, with reference to this specific case, the senator provided no evidence to suggest that this had occurred.

A third criterion that needs to be taken into account is that the question of privilege must "be raised to seek a genuine remedy, which is in the Senate's power to provide, and for which no other parliamentary process is reasonably available."

Once the *prima facie* question of privilege is established, it is for the Senate to decide what corrective action should be taken. With respect to this case, however, there are other parliamentary procedures available to deal with this serious complaint. As I mentioned previously, Senator Kinsella expressed a desire to have the offending publishers appear before a committee to have them explain why they used such an offensive personal and sexist attack to express their opposition to a government bill. Senators will have an opportunity to consider this option if and when Bill C-55 comes to this chamber from the other place. Alternatively, a motion, after notice, can be proposed at any time to refer this issue to an appropriate committee for investigation.

The final criterion listed in rule 43 is that the question of privilege must "be raised to correct a grave and serious breach." I have already indicated that no substantive evidence was presented during discussion on the alleged question of privilege suggesting that any senators had been obstructed in the performance of their duties as a consequence of the repugnant *Hustler* publication.

Based on the criteria of rule 43, it is my assessment that, at first glance, the matter does not directly involve the Senate or a member of this house. It also appears to me that alternative parliamentary processes are available to address this complaint. I can see nothing to suggest that a grave and serious breach affecting the ability of senators to perform their duties has actually occurred. Accordingly, I rule that no *prima facie* case of privilege has been established.

#### NOTICE OF MOTION CONDEMNING HUSTLER MAGAZINE ARTICLE CONCERNING MINISTER OF CANADIAN HERITAGE

Leave having been given to revert to Notices of Motion:

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, I give notice that on Thursday next, February 18, 1999, I will move:

That the Senate of Canada finds unacceptable and rejects the article and contest dealing with the member of Parliament as published in the February 1999 Canadian edition of *Hustler* magazine; and

That a message be sent to the House of Commons requesting that House to support the contents of the aforementioned motion.

#### MERCHANT NAVY WAR SERVICE RECOGNITION BILL

SECOND READING—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Forrestall, seconded by the Honourable Senator Atkins, for the second reading of Bill S-19, to give further

recognition to the war-time service of Canadian merchant navy veterans and to provide for their fair and equitable treatment.—(Honourable Senator Carstairs).

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, this item stands in the name of the Honourable Senator Carstairs. With her permission, I should like to make a few comments on it.

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, that is agreed.

**Senator Kinsella:** Honourable senators, I believe Bill S-19 has considerable merit. Any drafting difficulties that have been alluded to concerning this bill could be amended in committee.

The bill does something that has not been done before and which, indeed, needs to be done very soon, that is, to recognize Merchant Navy veterans for their wartime service.

Bill S-19, which Senator Forrestall has introduced, is, in our view, a most important initiative. We salute him for having brought it forward. Frankly, if passed, it would prevent any further discrimination from taking place. It would officially include Merchant Navy veterans in events such as Remembrance Day services.

If there is no objection from the other side, I move that the matter be referred to the Senate Subcommittee on Veterans Affairs so that we may proceed with it expeditiously.

On motion of Senator Carstairs, debate adjourned.

#### SECURITY AND INTELLIGENCE

CONSIDERATION OF REPORT OF SPECIAL COMMITTEE—  
DEBATE ADJOURNED

The Senate proceeded to consideration of the report of the Special Senate Committee on Security and Intelligence, deposited with the Clerk of the Senate on January 14, 1999.

**Hon. William M. Kelly** moved that the report be adopted.

He said: Honourable senators, as you know, this report was deposited with the Clerk of the Senate on January 14, 1999. It is the third report on this particular subject, and the third committee I have had the honour to chair.

I wish to take a few moments to talk about the committee itself. I am very proud of the work its members have done. It was a different committee. It was made up of individuals, certainly. Debate on almost every issue was endless. We crossed every "i" and dotted every "i." I did not keep track of the number of reports we drafted.

Some senators might know that I have been studying this subject for 15 of the 17 years I have been in this chamber. However, when I wanted to contribute some of the fruits of that labour, my deputy chairman, Senator Bryden, told me that



anything I said would be hearsay evidence and, as such, could not be considered by the committee. He told me that the only evidence that the committee could consider would be that from the mouths of the witnesses who appeared before the committee. I found that quite startling. I tried to urge Senator Bryden to concede that the Bible itself is hearsay to an extent — but that did not wash. However, I am not complaining. I tell you this only to emphasize that the committee went through quite strenuous activity in hearing all of our witnesses. The journey we undertook was a good journey, and the report benefited greatly from our work. I am proud of the result. By the way, Senator Bryden and I are still friends.

I am pleased with the impact that previous reports of our committees studying terrorism and public safety have had. I am optimistic that this report, which covers considerable ground, will have a similar impact. I am also pleased with how the report has been generally received. Media coverage to date has been universally positive. I think the media have done a good job of communicating the major issues the committee report raised.

I have been also gratified by the response of the security establishment, both government and private sectors, in their positive and supportive response to the committee report, and, of course, their assistance during the committee's deliberations.

I do not intend to cover the report in detail, but I do wish to highlight several areas of personal importance to me. I know many of the other committee members came at this process with different perspectives, priorities, and concerns, and it is certainly my hope that they will bring forward their individual views as well. There are four subject areas canvassed in the report that I would like to highlight.

Honourable senators, Canada went through a bad patch of terrorist attacks in the last half of the 1980s. The last 10 years, however, have been fairly quiet in terms of terrorist violence in Canada or, at least, that is the perception. Based on that perception, one might reasonably ask, and in fact the question was asked many times, sometimes in the early stages by committee members, why bother? Why have a Senate committee, or any committee for that matter, investigate terrorism and our defences against it? Why investigate a problem that does not exist? I wish to respond to that because this issue is obviously fundamental.

In the first place, there has been a marked reduction in terrorist incidents in this country, but we have not been immune from terrorism. The committee heard about a number of incidents in Canada. In one case, namely the stand-off at Oka, a policeman was killed. However, it is clear that there has been a substantial decrease over the past decade. We must remember that we live next door to the United States, which remains the priority target for a range of terrorist groups and rogue states. That is one of the reasons that virtually every terrorist group of note has a branch or representative in Canada. Canada itself is not a major target for terrorist attacks, but Canada is a venue of opportunity, a place where terrorists organize, plan, finance, and mount terrorist attacks elsewhere, particularly against the United States. We owe it to the United States and our other allies to be vigilant and effective and not a weak link in the international defences against terrorism.

In the second place, although there have not been many terrorist incidents in Canada over the past decade, Canadians abroad have been caught up in terrorism. In incidents detailed in the committee report, Canadians may not have been targets, but, all the same, they have been killed, injured, or kidnapped in terrorist actions. Canadians have certainly not been immune from the scourge of international terrorism.

In the third place, we must avoid becoming a soft target. As other nations strengthen their defences against terrorism, we must also. Otherwise, we risk being a target as a surrogate for those better defended.

Those three reasons are, in my view, sufficient justification for the committee and its review.

The attitude that it cannot happen here is typically Canadian but sorely out of tune with the facts and our duty to our neighbours and allies. I fear that the attitude that it cannot happen here persists not only among the public but also in some parts of the government.

There has also been a desire to realize the peace dividend by reducing military, security, and intelligence expenditures as a consequence of the disintegration of the Soviet Union. Complacency and the wish to realize the peace dividend have triggered major cutbacks in our security and intelligence community and less-than-optimal attention to some emerging security and intelligence issues.

Honourable senators, I understand the wish to realize the peace dividend. Nobel laureate Dr. Chaucer von Lidenberg, on this very issue, said as part of a speech in Washington earlier this month that the very triumph of the democratic world's military technology, with guided missiles and dominance of battlefields, drives the agents of disorder to ever more subversive means of attack and inspires new scales of terrorism, great and small.

On the whole, I think our security community has done an excellent job in spite of the cutbacks in operating funds of over 40 per cent over the past decade. Most of those cutbacks have been borne by CSIS, the Canadian Security Intelligence Service.

I do not think I am an alarmist nor a pessimist, but I do worry about the ability of our security organizations to get ahead of some of the emerging security challenges that we face if these resource constraints persist. I have in mind, for example, the security challenges posed by strong encryption technologies, cyber-terrorism, global satellite communications, and, of course, the ever-present threat of nuclear, biological, or chemical weapons.

The second area canvassed in the committee report that I should like to address is our immigration procedures, specifically those that apply to refugee determination and enforcement. The two previous Senate committees on terrorism and public safety were critical of what I call our leaky refugee determination system. It would appear that since the first committee reported in 1987 the situation has not improved. In fact, it appears to have worsened.



The problem in a nutshell, at the risk of oversimplification, is that Canada has become a favourite destination for refugees, both legitimate and otherwise. Refugee claimants, of course, avoid the off-shore vetting process that applies to virtually every other category of entrants under our Immigration Act. Even at that, the vast majority of refugees who come to Canada come with no documentation whatsoever. That means it is nearly impossible to check their origins, any criminal histories, and whether they constitute a threat to Canada due to past or present terrorist affiliations or activities.

The second problem is that a substantial number of these refugee claimants go underground either in Canada or after crossing the border illegally to enter the United States. As we explained in the report, some 6,000 people have arrived in Canada, claimed refugee status, and then disappeared. They may be in Canada. They may have gone home or to another country. The point is that we do not know, and our system is such that we are apparently unable to track refugee claimants so we do know where they are and to report those who should not be here.

I should point out, as does our report, that many of the refugees have paid large sums of money to organized crime gangs to be smuggled into Canada. The charge they pay is as much as \$45,000 American per head. One can reasonably infer, therefore, that these are, in the main, economic refugees, not the political refugees our laws and the international treaties and conventions to which we are a party were designed to accommodate.

I can tell you from some conversations I have had that few issues are as much of an irritant to our American neighbours or as frustrating to the Canadian and United States law enforcement and security communities as is the issue of illegal migration from Canada. I am not suggesting that every refugee who enters Canada or every refugee who goes underground in Canada is a security threat — far from it. However, I am suggesting that a few criminals and terrorists find our refugee system convenient to their ends and thus a few security threats do swim in our refugee stream.

The weakness of our defences appear to be administrative rather than legislative. Whether due to resource constraints or some other factors, we do not seem to have the administrative wherewithal to stop the abuses. It seems to me the solution to that is relatively simple, though perhaps a little more expensive: to speed up the evaluation process.

It is also a source of long-standing frustration to me that we seem unable to engage in an effective debate about our refugee determination system and controls. It seems that political correctness and the fear of being branded racist or anti-immigration discourages such a debate. This is the case regardless of which party is in power. I was personally disappointed that the Progressive Conservative government did no more to encourage the debate than any other government has in recent times. Our concerns over the refugee determination process and controls are not about race and immigration. They are certainly not about closing our doors to bona fide refugees. Our concerns are about ensuring, as best we can, that our refugee system does not make Canada a soft target for criminals and

terrorists and that Canadians and those who live under our protection are not unreasonably exposed to threats.

The third subject area from the committee report that I should like to address relates to cyber-terrorism, also known as information warfare or information operations and their associated acronyms. At its essence, cyber-terrorism is manipulation or destruction of data or the destruction or tampering with critical infrastructures. Cyber-terrorism is a new threat. Ten years ago, it barely appeared on the list of likely security threats; yet today even a small group of technically sophisticated people, using commercially available equipment, can do major damage to our computer, telecommunications, power, water and emergency systems. This is not sci-fi speculation or alarmist. The committee heard the results of mock cyber-terrorist attacks conducted within the Canadian government to test vulnerabilities.

•(1530)

The United States Department of Defence recently conducted an exercise called "Eligible Receiver" and concluded that relatively unsophisticated cyber penetrations could have a devastating effect. One of the participants in exercise "Eligible Receiver" concluded that cyberspace is the next battlefield for terrorists, organized crime, drug cartels and rogue space.

Because of our sophisticated information technology infrastructure, our open society and our laws, Canada has been characterized by some as a "hacker haven." In fact, some major cyber attacks aimed at other countries have originated in Canada. For example, a Sudbury man was found guilty of several accounts of hacking into United States government computers. The group that claimed credit for disabling a communications satellite of the People's Republic of China is based in Canada.

It has always been my objective in studying such matters that Canada can be prepared for the threats it faces, rather than simply reacting to events, so that our ability to prevent or respond to terrorism develops at least as quickly as the terrorist's arsenal of weapons and tactics.

In my view, cyber-terrorism is such a field, a field we where we owe it to our citizens and our allies to do everything we reasonably can to ensure that Canada is not used as a cyber-terrorism base. It is also a field where the horse is not yet out of the barn, where we still have a window of opportunity to get ahead of this sort of threat.

Doing so, of course, raises complexities and issues, the most significant of which is the position the Government of Canada eventually takes on encryption of electronic communications of stored data. On the one hand, strong encryption can be an effective bulwark against cyber-terrorism; on the other hand, strong encryption also provides criminals and terrorists with the means to shroud their transactions and communications from lawful interception and monitoring.

Honourable senators, the final subject area I should like to address relates to a review of our security and intelligence community and its organization.

In my view, Canada's review system is underdeveloped in terms of its effective review mechanisms for the entire security and intelligence sector. It is particularly underdeveloped in terms of review by or accountability to Parliament. As detailed in our report, the federal government security and intelligence community accounts for expenditures in the range of \$500 million annually. It consists of 10 core organizations and a complex of interdepartmental committees and international agreements. Our security and intelligence community and the policies and procedures that govern it are critical to national security and have an important impact on our relations with other states.

Some of our security intelligence organizations exercise extraordinary invasive powers, yet, as many in this chamber will know, only one security organization — CSIS — has a statutory review body, namely, SIRC, the Security and Intelligence Review Committee. There is no other statutory review body for the rest of the community. Only SIRC has a mandate to report to Parliament.

Most of the organizations within the security community have no dedicated broad-scope review body whatsoever, and I think this is a serious issue. I think that every part of the federal security and intelligence community should be subject to a review body. Furthermore, it is imperative that there be effective accountability to, and a review by, Parliament.

When one renders away all the red herrings, the essential case against this proposition is that some of the functions of government are so sensitive that they must be conducted beyond the effective purview of Parliament. I, for one, do not accept that argument.

I recall that essentially the same case was made by the government in the 1970s and early 1980s for Crown corporations, namely, that Crown corporations' commercial and competitive operations demanded that they and their officers be excused from accountability to Parliament. That case rapidly disintegrated in the face of a number of scandals that beset the Crown corporations' sector during that period and ultimately resulted in a fundamental shift of the relationship between Crown corporations and the government on one hand, and Parliament on the other hand.

That is precisely my point. I do not propose enhanced parliamentary review of the security and intelligence community because I suspect wrongdoing or incompetence.

**The Hon. the Speaker:** I regret to interrupt the Honourable Senator Kelly, but I would point out that his 15-minute time period has elapsed.

**Senator Kelly:** I would request leave to complete my remarks.

**The Hon. the Speaker:** Is leave granted, honourable senators?

**Hon. Senators:** Agreed.

**Senator Kelly:** Thank you, honourable senators, for your patience.

I was very impressed by the professionalism, integrity and evident competence of the representatives of the security and intelligence community who appeared before our committee.

Over the past 15 years, transparency and accountability have improved markedly in the security sector. I remember from the first Committee on Terrorism and Public Safety that the communications security establishment was not allowed to appear before the committee even *in camera*. I remember witnesses from the Security Intelligence Review Committee and the Canadian Security Intelligence Service itself appearing and stubbornly refusing to answer questions. I remember testimony from some officials that was evasive and some which, subsequently, turned out to be misleading.

We saw none of that this time; quite the contrary. The CSE appeared before the committee three times. Witnesses from the Security Intelligence Review Committee and CSIS were open and helpful. The Canadian Security Intelligence Service bent over backwards to be helpful, not only appearing before the committee numerous times but also providing private briefings.

I doubt there is anyone who would dispute that this increased transparency has helped the security intelligence community. There is nothing to fear from increased transparency.

I believe now is the time to set up an effective mechanism for review, namely a Senate committee, as proposed in the committee report. I think the review mechanism should be put in place now rather than in response to a crisis or a scandal. I think it is important to be proactive. I suggest a Senate committee only because you could count on greater continuity. I say, with a little hesitation, that you could also count on considerably less partisanship. I do not believe a review committee should ever be enticed into being used as means to embarrass a sitting government or a sitting minister or to detract from a current issue. Security is far too neutral a situation and has no partisanship overtones at all.

Honourable senators, in winding up, the ground has been thoroughly covered in the report. The witnesses who appeared before the committee were open and helpful. I feel every confidence that our recommendations will be carefully reviewed. In the last couple of days I have been assured that the office of the Solicitor General, taking the lead, will be reviewing, clause by clause, our recommendations and conclusions. The government does intend to make a final announcement on its judgment of this committee report.

On motion of Senator Bryden, debate adjourned.

## STATE OF FINANCIAL SYSTEM

CONSIDERATION OF INTERIM REPORT OF BANKING, TRADE AND COMMERCE COMMITTEE ON STUDY—DEBATE ADJOURNED

The Senate proceeded to consideration of the sixteenth report of the Standing Senate Committee on Banking, Trade and Commerce entitled: "The Governance Practices of Institutional Investors," tabled in the Senate on November 19, 1998.



**Hon. W. David Angus:** Honourable senators, the interim report of the Standing Senate Committee on Banking, Trade and Commerce entitled "The Governance Practices of Institutional Investors" was tabled on November 19, 1998, by Senator Tkachuk in the absence of the committee chairman, Senator Kirby. There has, as yet, been no discussion in this house on this report. However, I know that Senator Oliver plans a detailed discourse early in March when we return from the break.

Today, honourable senators, I simply wish to say a few brief words on the subject of the report which I commend to all honourable senators.

This report grew out of a study undertaken by the Standing Senate Committee on Banking, Trade and Commerce during 1996 on corporate governance of publicly traded companies in Canada related to the recommendations of the Dey committee, of the Toronto Stock Exchange, and the various guidelines which were in the process of being implemented. Our study at that time related to whether or not, from another perspective, they were effective.

●(1540)

We conducted a substantial study. One of the things that came out during that study on the corporate governance of publicly traded companies, was that there was a major lacuna on the boards and in the management process of institutional investors, such as private and public pension funds, as well as mutual funds and the like. We had substantial recommendations from learned sources that we conduct a fact-finding study into the corporate governance of institutional investors. The theme of the study was: Who is monitoring the monitors? Who is watching the watchdogs?

It became a rather revealing study. Indeed, a fair amount of fear was expressed by those running private pension funds and some of those running public pension funds. During the course of our study, independently and in the private sector, a number of substantial changes were introduced and put into effect, both by industry and in some parts of government, including a set of best practices for the governance of pension funds by the Pension Investment Association of Canada; a set of best practices by the Office of the Superintendent of Financial Institutions; and a set of best practices by another association.

It was quite apparent that there was a fear that legislation and strict rules would be introduced to govern the way these individuals were handling pools of private capital meant for the use of the clearly defined beneficiaries of these funds.

The Banking Committee heard from some 25 groups and individuals from November 18, 1997 to June 18, 1998, including practitioners, corporate CEOs, pension plan managers, mutual fund operators, labour unions and regulators. The result was this 88-page report, which contains 11 excellent recommendations.

Honourable senators, given that this is the government's budget day in the other place, I thought it might be appropriate

and timely to highlight one of those recommendations. Recommendation No. 11 states:

The government should begin the process of phasing out the Foreign Property Rule in the near term by increasing the 20 per cent limit to 30 per cent through annual increments of 2 per cent.

Cogent reasoning behind the strong support for this recommendation may be found at pages 77-81 of the report in question.

Also, honourable senators, there is a motion presently outstanding in this chamber on the same subject. I refer to item No. 45 on the Order Paper for today.

Finally, I would refer to an article which appeared on the commentary page of yesterday's *National Post*, under the esteemed byline of one Honourable Senator Michael Arthur Meighen. The headline read: "Why won't Martin fix that perverse RRSP policy?" I hope he can hear me in the next room, honourable senators. The article goes on to state, "Foreign content limit is robbing Canadians of retirement money." Imagine! The first paragraph of this brilliantly written article states:

Eight million Canadians have much to lose if Paul Martin does not take action in this week's federal budget. I say eight million because that many Canadians either belong to an employer pension plan or rely on RRSPs, or even on the Canada Pension Plan for much of their retirement savings. That many Canadians are each day made poorer by Mr. Martin's determination to restrict the rate of return they may expect on those same savings.

The seventh paragraph states:

For the rich and sophisticated, the current restriction has become illusory since both individuals and pension plans with significant resources can bypass the limit through strategic investment decisions, derivatives, and index-linked products. But the 20 per cent rule performs magnificently in keeping the little guy down.

Honourable senators, I will conclude by quoting from the second paragraph, which states:

Although the Finance Minister wants —

— or so he says —

— Canadians to take more responsibility for their retirement savings, he continues to impose an antiquated rule restricting to 20 per cent the amount of foreign property Canadians may hold in their registered retirement savings and pension plans. This rule imposes a real monetary cost on Canadians, and runs counter to both good common sense —



— what Tories believe —  
 — and good public policy —  
 — in which we all believe.

On motion of Senator Oliver, debate adjourned.

### PRIVACY COMMISSIONER

CONSIDERATION IN COMMITTEE OF THE WHOLE—  
 ORDER STANDS

On the Order:

The Senate in Committee of the Whole on the Report of the Privacy Commissioner for the period ended March 31, 1998, tabled in the Senate on September 29, 1998.

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I would ask to stand this item. The Privacy Commissioner will be here at 3:30 on Thursday afternoon.

Order stands.

### STATE OF FINANCIAL SYSTEM

BANKING, TRADE AND COMMERCE COMMITTEE  
 AUTHORIZED TO EXTEND DATE OF FINAL REPORT ON STUDY

**Hon. Michael Kirby,** pursuant to notice of February 3, 1998, moved:

That, notwithstanding the motion adopted by the Senate on Thursday, December 10, 1998, the Standing Senate Committee on Banking, Trade and Commerce be authorized to extend the date for the presentation of its final report on the state of the financial system in Canada from February 28, 1999 to December 31, 1999; and

That, notwithstanding usual practices, if the Senate is not sitting when the report is completed, the Committee be authorized to deposit it with the Clerk of the Senate, and that the said report shall thereupon be deemed to have been tabled in the Chamber.

He said: Honourable senators, I apologize for not being here when this motion was raised on December 10. For many years, the Standing Senate Committee on Banking, Trade and Commerce has had what I would call a standard motion that it annually asks the Senate to adopt, which deals with allowing the committee to undertake any set of issues that deal with the governance and the operation of the financial system in Canada. Since, from the beginning of the year, we never know exactly what set of issues we will be dealing with, historically we have asked for relatively general terms of reference. The motion that I put down in December was intended to cover that eventuality in 1999.

The two particular issues on the agenda of the committee presently are studies as opposed to bills. One is a study on the equity financing of small business. This was brought about by the fact that, in hearings on other subjects the committee has held over the past several years, including last summer, in relation to the extension of the Small Business Loans Act, which was approved in this chamber in December, many of the witnesses argued that what is needed is a government program aimed at equity financing and not debt financing. The question is how one would develop such a program. The committee is beginning to study that question.

We are also considering a question that is arising in the minds of commentators now that the Euro has been created — that is the implications, advantages and disadvantages to Canada of moving towards the adoption, ultimately, of the American dollar. In other words, there has been some suggestion that a common North American currency be created.

Honourable senators, I reiterate that these have been the terms of reference of the committee for several years, and I would seek the Senate's approval to extend them again for this year.

Motion agreed to.

### BUSINESS OF THE SENATE

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, before I move the adjournment motion, I want to thank honourable senators for their cooperation in order that all senators can attend the budget speech at four o'clock in the other place.

The Senate adjourned until Wednesday, February 17, 1999, at 1:30 p.m.

## APPENDIX

The following members were elected to the Legislative Assembly of Nunavut:

Akulliq Riding (Pelly Bay and Repulse Bay):  
Ovide Alakanuark

Amittuq Riding (Igloolik and Hall Beach):  
Enoki Iqittuq

Arviat Riding (Arviat):  
Keven O'Brian (re-elected)

Baker Lake Riding (Baker Lake):  
Glenn McLean

Cambridge Bay Riding (Cambridge Bay):  
Kelvin Ng (re-elected)

Hudson Bay Riding (Sanikiluaq):  
Peter Kattuk

Iqaluit Centre Riding (Iqaluit):  
Hunter Tootoo

Iqaluit East Riding (Iqaluit):  
Ed Picco (re-elected)

Iqaluit West Riding (Iqaluit):  
Paul Okalik

Kugluktuk Riding (Kugluktuk):  
Donald Havioyak

Nanulik Riding (Coral Harbour and Chesterfield Inlet):  
James Arvaluk

Nattilik Riding (Pelly Bay and Gjoa Haven):  
Uriash Puqinaq

Pangnirtung Riding (Pangnirtung):  
Peter Kilabuk

Quttuq Riding (Grise Fiord, Resolute Bay,  
Arctic Bay and Nanisivik):  
Levi Barnabus (re-elected)

Rankin Inlet North Riding (Rankin Inlet):  
Jack Anawak

Rankin Inlet South Riding (Rankin Inlet and Whale Cove):  
Manitok Thompson (re-elected)

South Baffin Riding (Kimmirut and Cape Dorset):  
Olayuk Akesuk

Tunnunig Riding (Pond Inlet):  
Jobie Nutarak

Uqqummiut Riding (Clyde River and Broughton Island):  
David Iqaqrialu

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OFFICIAL REPORT  
(HANSARD)

Wednesday, February 17, 1999

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THE HONOURABLE GILDAS L. MOLGAT  
SPEAKER



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(Daily index of proceedings appears at back of this issue.)

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## THE SENATE

Wednesday, February 17, 1999

The Senate met at 1:30 p.m., the Speaker in the Chair.

Prayers.

### SENATORS' STATEMENTS

#### NEWFOUNDLAND AND LABRADOR

##### FIFTIETH ANNIVERSARY OF PASSAGE OF TERMS OF UNION

**Hon. Bill Rompkey:** Honourable senators, in 1942 Clement Attlee, Britain's wartime Dominion secretary, predicted that without some great discovery of minerals in my province, we were unlikely to afford anything but a modest standard of life. Ironically, today, over 50 years later, as we celebrate the Senate's passing of our Act of Union, it is the richest nickel mine in the world, together with oil, water power and brain power, that can make Newfoundland and Labrador a net contributor to the federation. For those first 50 years we were able to share the bounty of Canada through equalization payments of various kinds, but the day is not far off when we will be able to give more than we receive.

Over those 50 years, we have come to appreciate this country for the majesty of its mountains and valleys, to which my province has contributed the Torngats and Gros Morne; for the powerful beauty of its rivers, to which my province has contributed the Churchill and the Exploits; for the rich heritage of its songs and musicians, to which my province has contributed "I'se the B'y" and "Great Big Sea"; for the acumen of its entrepreneurs, to which my province has contributed Craig Dobbin and Harry Steele; and for the passion of its poets and its orators, to which my province has contributed E.J. Pratt and Joey Smallwood.

Joseph R. Smallwood, almost single-handedly, and with a passion and a persuasiveness which was unmatched, was the one who brought us in 50 years ago. We came somewhat reluctantly. Mackenzie King, for his part, also wondered whether 52 per cent was a big enough majority, until Jack Pickersgill said to him, "Do you realize this is a larger majority than you received in any election except 1940?" We were in. It was one of the great many services that Jack Pickersgill was to provide for my province.

I was not born in Canada, honourable senators. In 1949, I was a new Canadian. I was born on the island, lived in Labrador, and have had the privilege of serving a great province and a great country now in this chamber where that bill that made us Canadians was passed on this very day. As one who was then

13 when we joined Canada, I have come to appreciate more and more, with every passing day, that 50 years is not all that old. Thus I say to my fellow Canadians and my fellow senators:

Grow old along with me,  
The best is yet to be.

**Hon. Senators:** Hear, hear!

#### METROPOLITAN TORONTO POLICE FORCE

##### TRIBUTES

**Hon. Consiglio Di Nino:** Honourable senators, there is a group of Canadians who, it seems to me, deserve far more respect and support than we often give them. I refer to the men and women who serve in our country's many police forces.

●(1340)

This past New Year's Eve, I spent the evening and early morning hours patrolling York Region, a part of the Greater Toronto Area, with its Chief of Police, Julian Fantino. We drove the streets and visited police stations, communications rooms and command centres. We even spent two extremely cold hours with a RIDE team. Everywhere we went, I was struck by the courtesy, the decency and the professionalism of the officers.

As Chief Fantino and I drove about, the police radio was our constant companion. I was shocked at how many domestic disputes police officers are called upon to deal with. Usually alone, and often confronted with violent situations, these brave officers do their best to solve the often unsolvable, using whatever common sense God has given them and whatever street sense the job has taught them.

Backing them up are surely the unsung heroes of police work. The public knows very little about the critical role played by the communications staff, in particular the dispatchers. Usually civilian, mainly female, dispatchers are a police officer's lifeline in times of trouble and need.

All in all, my night with the York Region Police was both an eye-opener and an education. In the space of a few short hours, I had the privilege of seeing a number of exceptional and dedicated Canadians at work and meeting some courageous men and women who daily put their lives on the line, and willingly so, to keep our communities safe.

I am happy to salute them, and all police personnel in Canada. They are truly one of the reasons why this country has been judged the best place in the world in which to live.



## PRIVY COUNCIL OFFICE

### CONGRATULATIONS ON NEW DEPUTY MINISTER APPOINTMENTS

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, it is not often that we are favoured with opportunities to salute this government on anything meritorious that it has done. However, in recent times, I have noted two things that they have done which I think are laudatory. First, I think the appointment of Mr. Mel Cappe as Clerk of the Privy Council was an excellent appointment. Honourable senators who serve on our Standing Senate Committee on National Finance have had many dealings with Mr. Cappe, in particular when he was secretary of the Treasury Board. That is an excellent appointment, and I wanted to place that on the record.

The other excellent appointment, honourable senators, is the appointment of Mrs. Claire Morris as the Deputy Minister of the Department of Human Resources Development. Claire is a New Brunswicker who served as the secretary to the executive council of the Province of New Brunswick, among many other posts that she held in the public service there. Several honourable senators in this chamber have had an opportunity to work with her. I wish to salute that appointment. Mrs. Morris will be an excellent Deputy Minister, and we wish both she and her colleague Mr. Cappe every success. To Mrs. Morris, I suggest that she follow the good example set by Mr. Cappe and seize every opportunity to appear before Senate committees.

## QUESTION PERIOD

### HEALTH

#### FIGHT AGAINST TOBACCO-RELATED DISEASES— NEW MEASURES IN BUDGET

**Hon. Colin Kenny:** Honourable senators, I have a question for the Leader of the Government in the Senate concerning yesterday's budget.

As of January 1999, Health Canada has increased its estimate of smoking-related deaths from 40,000 Canadians per year to 45,000. Some 21 per cent of all deaths in Canada are attributed to smoking. Also this month, Health Canada indicated that 85 per cent of smokers now start before the age of 16; it used to be 18.

Could the Leader of the Government in the Senate assist us by pointing out whether any new measures were introduced in yesterday's budget that would assist Canadians in the fight against tobacco-related disease?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, in the overall program announced by the government, the health measures that are to be taken will have an impact upon that very important subject which my honourable

friend Senator Kenny has championed in this chamber and across the country.

While I cannot immediately put my finger on any specific individual item, I am sure that the Minister of Health and those responsible will ensure that the concerns of Senator Kenny and others will be addressed in the coming months and years.

I should mention that there are other items in which I have an interest, not related to tobacco or tobacco consumption, but which I have been assured are factored into the budget and will become identifiable in due course.

**Senator Kenny:** Honourable senators, I have two short supplementary questions.

I noted on page 10 of the document entitled, "Strengthening Health Care for Canadians" that the government continues to earmark \$20 million per year for tobacco demand reduction strategy. As I mentioned earlier, 45,000 Canadians are dying per year as a result of smoking. The national HIV-AIDS strategy has \$41 million per year associated with it. I am supportive of that money going to HIV and AIDS, but I must note that two years ago 368 Canadians died from the disease and last year 60 Canadians died from it. There seems to be a certain disproportionate effort involved here where we have 45,000 Canadians who are falling to tobacco-related disease, yet we are only allocating \$20 million to fighting the disease. We have 60 Canadians who are dying from AIDS — these are Health Canada figures — and we are allocating \$41 million to it.

Could the Leader of the Government explain this seeming inconsistency?

**Senator Graham:** Honourable senators, there is a specific item in the budget with respect to tobacco stamps. In addition, I understand that the excise tax exemption threshold will be reduced from 3 per cent to 2.5 per cent of total production.

In further identifying the items to which my honourable friend refers, I would have to do further research. I wish to assure him that I will determine from where those monies will come and what exactly will be done.

Again, I congratulate the Honourable Senator Kenny for his special interest and his leadership on this subject.

**Senator Kenny:** Honourable senators, the Honourable Leader of the Government in the Senate was good enough to mention the two items that I was able to discover in the budget. They are found on pages 216 and 217 of the "Budget Plan, 1999." They relate to the export tax.

•(1350)

I can say with some modesty that there was an excellent article in the *Montreal Gazette* earlier this month on the subject. That article indicated that the RCMP estimates that 95 per cent of the tobacco exported to the United States is smuggled directly back into Canada.

The intent of this change to the export tax is to reduce the exemption. There is currently a 3 per cent exemption of last year's production which goes out of the country untaxed. In last night's budget, that was reduced from a 3 per cent exemption to a 2.5 per cent exemption.

My question is: Why did the government not reduce it entirely? Why are we allowing 1.2 billion cigarettes to go out of the country each year, completely untaxed, when the RCMP tells us that 95 per cent of those cigarettes come back into this country as contraband?

**Senator Graham:** Honourable senators, I presume there is support in the chamber for the representations that have been made by Senator Kenny. I believe that all honourable senators understand his concerns, and that they are concerns shared by many Canadians. I will bring his representations to the attention of the Minister of Health and others who are directly involved with this issue. I share his wider concerns in this regard. I will raise personally with the Minister of Health, and others who may have responsibilities in this area, the concerns that have been expressed by the Honourable Senator Kenny.

### EMPLOYMENT INSURANCE FUND

#### ACCUMULATION OF SURPLUS IN FUND— ADEQUACY OF BUDGET REDUCTIONS IN PREMIUMS

**Hon. Donald H. Oliver:** Honourable senators, my question is directed to the Leader of the Government in the Senate. It deals with the EI fund, and is really a continuation of the subject-matter of questions I asked a few months ago but which, to date, remain unanswered. This particular question flows from last night's budget.

Under this budget, the government will continue to profit from the Employment Insurance fund, taking in \$4.9 billion more than it will pay out in the coming year, and \$4.7 billion more in the year after that. This will bring the surplus in the EI account to about \$29 billion, an amount that equals two full years of benefits. Is the government still pretending that it needs to build up a surplus in order to shield itself from some future recession?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, before I answer that specific question, let me put things into perspective. This is the sixth budget of this government, and for the second consecutive year, we have presented a balanced budget. Perhaps I should contrast this with the sixth budget of the previous government, of which my friend Senator Oliver was a member, that was presented on February 20, 1990.

**Senator Lynch-Staunton:** How about MacEachen's budget?

**Senator Graham:** If you want me to go back to 1981, I am prepared to do that. Yesterday we had a balanced budget — our sixth budget, and our second straight balanced budget.

**Senator Lynch-Staunton:** Thanks to Conservative initiatives.

**Senator Graham:** Yesterday was the first occasion in 50 years that the government has had two consecutive balanced budgets.

**Some Hon. Senators:** Hear, hear!

**Senator Graham:** The government has committed itself to two more balanced budgets. This will mean four consecutive balanced budgets for the first time since Confederation.

**Senator Lynch-Staunton:** Thanks to whom?

**Senator Graham:** In the sixth budget of the previous government, freezes and new limits on transfers to the provinces through the Canada Assistance Plan and Established Programs Financing were announced. In yesterday's budget, we saw major increases in transfers to the provinces for health care and equalization payments.

**Senator Lynch-Staunton:** They are still below 1995 levels.

**Senator Graham:** We saw tax cuts as well as major new investments in the research and development sectors.

**Senator Lynch-Staunton:** Have you heard of "bracket creep"?

**Senator Graham:** We could also compare this budget to the Conservative government budget of 10 years ago. In 1989, that government ended up with a deficit of \$30 billion. In that 1989 budget, corporate taxes were increased, as was the personal surtax. There was a new surtax for higher-income earners, as well as increased taxes on cigarettes, alcohol, gasoline, construction materials and telecommunications services. There was even an increase in unemployment insurance premiums. When you contrast that with yesterday's balanced budget, the second consecutive balanced budget, honourable senators, you see that we have come a long way in a very positive direction for our country.

Honourable senators, Senator Oliver has raised a very valid point —

**Senator Ghitter:** And now the answer?

**Senator Graham:** He has raised, with respect to the EI fund, the figure of \$4.9 billion. He has projected that the accumulated surplus may rise to \$29 billion. I would need to check and determine whether that is accurate, but I would be prepared to bring in the proper figure for Senator Oliver at the earliest possible convenience.

**Senator Oliver:** At the time that the honourable minister brings in the proper figure, could he also bring in answers to the other questions that I have asked him about the EI account, which remain unanswered?

As a supplementary question, how can the government continue to justify its decision to take, year after year, from Canadian workers and from those who employ them, almost \$5 billion more than it needs to run the EI system?



**Senator Graham:** Honourable senators, the Chief Actuary would indicate that it is necessary to have a balance in the EI account. We have a report which is being considered by the Government of Canada, and to which a response will be prepared within 30 sitting days following the resumption of Parliament, sometime next month. We will have an appropriate response at that time.

### TREASURY BOARD

#### ARMED FORCES PENSION PLAN—TRANSFER OF PORTION OF SURPLUS—INCREASE IN CONTRIBUTIONS— GOVERNMENT POSITION

**Hon. J. Michael Forrestall:** Honourable senators, money appears and disappears with great magic around here. Over the years that I have been around this place, I have always been awed by that. For example, the oversubscription in the EI fund is a critically serious matter to the financing of governments.

I want to direct the minister's attention to a money grab perpetrated last week by the government of the \$13-billion surplus in the Canadian Armed Forces' pension plan. The government announced last week that it would take that fund into its own use for its own purposes.

In last night's budget, we had a very modest and, I might say, totally inadequate response to the needs of the Canadian Armed Forces with respect to pay and their standard of living. We heard the interesting announcement of \$175 million, which represents something less than 6 per cent of the payroll of the Armed Forces. There is no money there for helicopters. There is no money there for new equipment. There is no money there for any of the creature comforts that have increasingly been stripped from the Canadian Armed Forces in recent years.

On top of that, we heard the announcement of a 4 per cent increase in the premiums for the Canadian Armed Forces pension fund. Not only do we lose the surplus, but we have the announcement of a 4 per cent increase in premiums.

Given the high hopes and expectations that people in the Armed Forces had been led to rightfully expect and anticipate, does the minister have some explanation to offer to members of the Canadian Armed Forces with respect to their comforts, their pay and allowances, and their pensions? Must we wait to see what Tim Hortons and other buyers of advertising will contribute? That, of course, is a whole other debate unto itself.

How can the government say that it has done a great thing for the Armed Forces when it has taken away \$13 billion and, in the very next breath, increased their pension contributions by 4 per cent?

**Senator Carney:** Is this a question?

**Senator Forrestall:** I will get around to it. Do not worry. I am very concerned about this, even if others are not.

Perhaps if some of this money was going to Cape Breton to help people who need some real help, it would be understandable and tangible. You could see it and feel it.

Given the loss of the surplus and the increase of 4 per cent in premiums, how does the government expect members of Parliament to go back into their communities and talk to members of the Canadian Armed Forces and encourage them to hold their heads high?

**Hon. B. Alasdair Graham (Leader of the Government):** Let me assure the Honourable Senator Forrestall that the pensions of Armed Forces personnel will not be put in jeopardy. He is talking about the \$13 billion in the pension plan. I shall have to do some research and identify the specifics of that allocation. Perhaps the Honourable Senator Forrestall could help me. He has been one of the main proponents of improving the quality of life for the men and women who serve in our Armed Forces.

Yesterday's budget contained the first increase in the defence budget in over a decade. He identified the additional \$175 million to be spent annually for three years, for a total of \$525 million. The Minister of National Defence has made quality of military life issues his highest priority. Yesterday's announcement will enable the government to address quality of life issues, particularly in the areas of pay and compensation.

With respect to equipment for the Armed Forces, I assure my honourable friend that the Minister of National Defence has also made this a very high priority item on his agenda.

### NATIONAL DEFENCE

#### SEARCH AND RESCUE HELICOPTER REPLACEMENT PROGRAM— PROCUREMENT STRATEGY

**Hon. J. Michael Forrestall:** Honourable senators, is it the intention of the government to find the wherewithal for new search and rescue equipment, new shipborne equipment, from further cuts in the strength of the Armed Forces?

**Hon. B. Alasdair Graham (Leader of the Government):** I assure my honourable friend that the government, the Minister of National Defence, and his officials are developing a procurement strategy for a modern fleet of Maritime helicopters. I think it is important to mention that we have announced the purchase of four submarines. We are buying a new fleet of search and rescue helicopters, we have signed on for 120 more armoured personnel carriers, and the list goes on.

As I said earlier, and to reassure Senator Forrestall, we are developing a procurement strategy for a modern fleet of Maritime helicopters.

### HEALTH

#### ADEQUACY OF TRANSFERS TO PROVINCES— ALLOCATIONS IN BUDGET—GOVERNMENT POSITION

**Hon. Terry Stratton:** Honourable senators, my question is directed to the Leader of the Government in the Senate, and is in regard to the budget.



Even with the money that was put back into transfer payments for health care, the \$11.5 billion over five years, Ottawa will still be sending the provinces \$4 billion less for health, education, and social assistance than it did in 1993. In fact, in total, over a 10-year period, by 2003, the government will have paid the provinces \$37 billion less than would have been the case if transfers had simply remained at 1993 levels. This includes \$20 billion over the next five years, even after we take into account the new funds outlined in this budget.

As a matter of principle, will the government at some point fully restore all of the money it has taken out of the system, or will it continue to only react and put money into the system when it sees the effects of its cuts to health in emergency wards and delayed surgeries on the nightly TV news?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, the first priority of the government was to get the fiscal house in order. This government inherited a deficit of \$42 billion when it came into office in 1993.

**Senator Lynch-Staunton:** Tell us what Mulroney inherited. Out-of-control expenditures.

**Senator Graham:** The graph of the previous government's years in office, shows a deficit that was not being reduced but was on the rise. I mentioned earlier that the budget deficit of 10 years ago was at \$ 30 billion. It then rose to \$42 billion.

**Senator Lynch-Staunton:** Who started it?

**Senator Graham:** This government's first priority was to get the fiscal house in order. Then it could devote funds from a surplus on those priority items that Canadians have identified: health care, education, and quality of life for the people in our Armed Forces. That is this government's intention, and we will continue on this particular track.

**Senator Stratton:** Honourable senators, the government has known for some time that its fiscal forecast has been just a little too prudent. Last year, it underestimated revenues by \$5.7 billion. At the same time, it has known that there are serious problems in the health care system that will take months, if not years, to fix. They knew about the \$5.6-billion surplus, and the government did nothing with it. It certainly did nothing to alleviate the situation. It let it drift and build into a crisis situation in the emergency wards and delayed surgeries. Health care is now in crisis right across the country. If the government had taken some of that \$5.6 billion and put it into health care back when you knew you had it, you would not have this problem today.

**Senator Graham:** We are all concerned with the health care delivery system, and therein lies the problem. It is not necessarily the amount of money but how those dollars are spent and how they are delivered.

Remember that one of our former colleagues, the Honourable Allan J. MacEachen, was more responsible than any other individual Canadian —

**Some Hon. Senators:** Oh, oh!

**Some Hon. Senators:** Hear, hear!

**Senator Graham:** — for bringing universal health care, along with the five principles of health care, to this country. It is this government which will ensure, through fiscal responsibility, that the five principles of Medicare are preserved for our children, their children and their children's children.

•(1410)

## THE BUDGET 1999

### TAX RELIEF TO VARIOUS INCOME GROUPS— REQUEST FOR CLARIFICATION

**Hon. David Tkachuk:** Honourable senators, I do not know what Allan MacEachen did for health care in Canada, but I do know that John Diefenbaker ran on health care in Saskatchewan in 1938, espousing not only hospitalization but Medicare as well. I remember that in the 1960s, when Medicare was coming into force in Saskatchewan, the party that fought hardest to stop Medicare was the Liberal Party of Saskatchewan. They organized with the "Keep Our Doctors Committee" and they fought against all those communists and socialists. That was the Liberal Party.

I can send to the Leader of the Government in the Senate a written copy of the platform of Mr. Diefenbaker from the 1938 campaign, which I have hanging on my office wall. That should serve to stop the myth and the Liberals from trying to take credit for what the Tories have done

I have attempted to read a document entitled "Providing Tax Relief and Improving Tax Credits." It is as confusing as the minister's speech yesterday, which was the strangest budget speech I ever heard. It sounded more like a speech of a prime minister. In an effort to understand the unclear story which is in this brochure, I have read the *National Post* and *The Globe and Mail*. Both newspapers give different numbers.

I should like to ask my question in reference to a person who is earning \$40,000 or \$50,000 per year. Do not mix up last year and this year, which the government has done so well in the document I have in my hand. Taking into account the increase in CPP premiums, which is, in effect, an increase in taxes, what will be the net tax effect of this year's budget for a person making \$40,000 per year and \$50,000 per year?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, families with incomes of \$45,000 or less will have their taxes reduced by a minimum of 10 per cent, and in some cases more. Let me give you some more examples.

Typical one-earner families with two children, and incomes of \$30,000 or less, will pay no net federal income tax. Let me go one step further. Single taxpayers earning \$20,000 or less will see their taxes reduced by at least 10 per cent. Every Canadian taxpayer can now look forward to a tax cut, and as a result of the last two budgets, 600,000 lower-income Canadians will no longer pay any federal income tax at all.

Senator Tkachuk has invoked the name of the Right Honourable John George Diefenbaker, a man for whom I had the greatest admiration. The honourable senator talked about Mr. Diefenbaker's first platform in 1938. I believe Senator Tkachuk said he had a copy of that platform on the wall of his office, and I will come to see that sometime if he will invite me. I remember reading about the musings of Mackenzie King on health care in the 1920s. That is worthy of reading as well.

When Mr. MacEachen was Minister of National Health and Welfare and developing the health care program, I happened to be his assistant. I recall very well going from one end of the country to the other with Allan MacEachen when he was explaining the fundamentals of the program and how it would work. I remember going into some provinces ruled by Conservative governments, and they sat on their hands when he was introduced. He would explain to them what would happen with respect to the program, and they opposed it. They opposed the greatest Medicare program of any country in the world.

**Senator Tkachuk:** Honourable senators, I thank the Leader of the Government in the Senate for his answer.

Let us go back to that person making \$50,000 per year and let us not confuse it with two kids, three kids or four kids. Taking into account the Canada Pension Plan and a single person who makes \$50,000 per year, what will that person save in taxes?

**Senator Graham:** I did not know that the CPP was a tax.

**Senator Tkachuk:** It is a tax and we have been saying that it is a tax. The minister has still not answered my question about the budget of his government.

I should like to ask one more question. I will even use the number in the budget for what the government calls "tax expenditures," which is approximately \$7 billion. Only Liberals would cut taxes and say it is an expenditure of the government. However, let us give them that amount, over three years, and let us give them the \$11.5 billion that they expend on health care over five years. That works out to approximately \$4.8 billion per year, which is frankly a little less than the amount that they extract from Canadian business and individual taxpayers in EI premiums every year, and have done so for four years. This government has now accumulated close to \$29 billion and they are telling the Canadian people that they are giving them a tax break. I do not believe so.

Perhaps the Leader of the Government in the Senate could explain to the Canadian people how the government can take from one hand — as far as I am concerned, it is extraction and theft from workers and businesses — give it back on the other hand, and say, "By the way, here is your tax break." The Liberal government cannot even tell us what the tax saving is for a person making \$50,000 per year.

**Senator Graham:** I suppose the only way to adjudicate the difference of opinion is to ask the Canadian people. It will be interesting to see what the polls say about this budget in the coming weeks. It will be interesting to see what the Canadian people identify as the most serious problems, and whether or not

they approve of what the government has done. I am not a prognosticator or forecaster, and I do not have a crystal ball, like some other people. However, I suggest that the people of Canada will support, in overwhelming numbers, what this government has done by bringing forward a balanced budget for the second time and by identifying the spending priorities that benefit everyone.

## ORDERS OF THE DAY

### INSURANCE COMPANIES ACT

BILL TO AMEND—THIRD READING—DEBATE ADJOURNED

**Hon. Richard H. Kroft** moved the third reading of Bill C-59, to amend the Insurance Companies Act.

He said: Honourable senators, Bill C-59 is an important piece of legislation which allows mutual insurance companies to convert to stock companies, which in turn has important implications for the ability of those companies to raise capital and compete in the increasingly competitive financial services industry.

•(1420)

The committee's main concern was with the implications that demutualization would have on policyholders of mutual insurance companies. The committee studied that topic in detail. The committee's hearings ran for three sessions and, each time, the committee extensively questioned officials from the Department of Finance and from the Office of the Superintendent of Financial Institutions on measures being taken to protect policyholder rights, and measures being taken to provide the proper information. Policyholders need to be able to make informed decisions about demutualization and the effects that it may have on them.

After three days of questioning, as a member of the Standing Senate Committee on Banking, Trade and Commerce, I am confident that every effort is being made by both the insurance industry and government to inform policyholders of their rights, and of the implications of demutualization. For example, the insurance companies are working closely with various consumer groups such as the Canadian Association of Retired Persons and have provided explanations of demutualization for their members.

Finance Canada has set up its own 1-800 number to answer policyholders' questions, independent of the Web sites and the 1-800 numbers that various mutual companies have already set up. Finance Canada has also reviewed the implications of demutualization on low-income Canadians, such as the recipients of the Guaranteed Income Supplement, to ensure that there are no particular circumstances that can be characterized as unduly harsh and in need of correction. Corresponding with this effort is Finance Canada's cooperation with the provinces to ensure that they examine their own social assistance programs in light of demutualization.



The committee also learned that companies must make a complete effort to explain the tax consequences of demutualization, not only in Canada but also in all of the jurisdictions in which they operate, including, in some cases, up to nine countries.

The concern of the committee throughout its hearings was that demutualization would be a benefit to not only the industry but also to individual policyholders. In particular, members of the Banking Committee expressed concern during their hearings about the completeness and comprehensiveness of information that would be made available to policyholders of demutualized insurance companies. The committee members also expressed concern over what safeguards exist to ensure that the information given to policyholders will be correct.

Two separate policyholder advocacy groups appeared before the committee to express concern on those issues. The committee received assurances that OSFI will be required to review all policyholder information packages before their release. At the committee's request, OSFI provided its assurance in a letter received from Superintendent John Palmer to the committee chairman. I understand that this letter was circulated to all committee members. The letter indicates that OSFI intends to work with the demutualizing companies to ensure that their communications with policyholders would be in plain language, and that the right information would be provided to shareholders. Information must be provided that allows policyholders to make informed decisions on the demutualization vote. OSFI will also provide a public accounting of the demutualization process in its annual report. In the event that the committee wants to reopen this issue, it could invite OSFI to comment on its annual report when it is available.

Given the concerns expressed and the thoroughness of the work of the committee, I move that this bill be now read the third time. I would also emphasize the detailed work of this committee and the important questions it brought to the fore, which were answered for the public record.

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** I should like to pose a question to the Honourable Senator Kroft, if he is agreeable.

**Senator Kroft:** Yes.

**Senator Kinsella:** Honourable senators, the Honourable Senator Kroft drew our attention a moment ago to a letter from the Superintendent of OSFI. Does the honourable senator have a copy of that letter?

**Senator Kroft:** Yes, I do. I believe it was circulated to all members of the committee. That is what I was advised.

**Senator Kinsella:** That is the problem, honourable senators. It is my understanding that honourable senators who are not members of the committee have not received copies of that letter.

**Senator Kroft:** I would be more than pleased to give the letter to the Clerk for circulation now. I inquired about the senator's question specifically, prior to this sitting, and was advised that the letter had been circulated.

**Senator Kinsella:** Perhaps the easiest way of dealing with this matter is for me to move the adjournment of the debate. It may be that the letter is caught in distribution, and when we have it we can resume the debate.

**The Hon. the Speaker:** Is leave granted for the distribution of the letter, honourable senators, as requested by the Honourable Senator Kroft?

**Hon. Senators:** Agreed.

On motion of Senator Kinsella, debate adjourned.

### SPECIAL IMPORT MEASURES ACT CANADIAN INTERNATIONAL TRADE TRIBUNAL ACT

#### BILL TO AMEND—SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Grafstein, seconded by the Honourable Senator Moore, for the second reading of Bill C-35, to amend the Special Import Measures Act and the Canadian International Trade Tribunal Act.

**Hon. J. Trevor Eyton:** Honourable senators, details of this bill have already been outlined surprisingly well by our colleague Senator Grafstein. It is a pleasure as always to see our friends on the other side of the house supporting free trade.

All parties have had a look at this proposal, both in debate in the other place and during quite extensive hearings before the Standing Committees on Finance and on Foreign Affairs and International Trade. Those hearings started in 1996.

This proposed legislation is a housekeeping measure designed to update Canada's trade remedy system. There are many administrative changes, but basically the purpose of the bill is to ensure proper protection of our domestic market against attempts to import dumped or subsidized goods.

There does not appear to be anything contentious in the bill. I understand it received support from all sides in the other place, with the exception of the NDP. They are apparently using it as yet another excuse to unfurl their old anti-free-trade banner. Obviously, I and many others disagree with that opinion. Free trade has been a boon to this country. It has led to greater investment opportunities, more jobs, higher standards of living and better lives for millions of Canadians. Any reasonable measure to help this process along deserves our support. Since SIMA fulfils these criteria, I see no reason why we should not pass this bill as expeditiously as possible.

I should also observe on a personal note that I am pleased to be speaking, albeit briefly, on this bill because my younger brother, Tony Eyton, was chairman of the trade tribunal for five years, and retired only a few years ago. Through his eyes and knowing his experience, I recognize the value of the tribunal. I am confident that, with these amendments, the tribunal will be even more effective.



**The Hon. the Speaker:** I must inform the Senate that if the Honourable Senator Grafstein speaks now, his speech will have the effect of terminating debate on second reading.

**Hon. Jeremiah S. Grafstein:** Honourable senators, I welcome Senator Eyton's comments. I welcome him to the club of the Manchester Liberals, albeit belatedly, along with all the other members of his party.

**The Hon. the Speaker:** Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill read second time.

REFERRED TO COMMITTEE

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the third time?

On motion of Senator Grafstein, bill referred to the Standing Senate Committee on Foreign Affairs.

●(1430)

## COMPETITION ACT

BILL TO AMEND—MOTION TO CONCUR WITH MESSAGE  
FROM COMMONS—CONSIDERATION OF REPORT OF COMMITTEE—  
DEBATE ADJOURNED

The Senate proceeded to consideration of the twenty-first report of the Standing Senate Committee on Banking, Trade and Commerce (*motion and message relating to the amendments to Bill C-20, to amend the Competition Act and to make consequential and related amendments to other Acts*), presented in the Senate on February 16, 1999.

**Hon. David Tkachuk** moved the adoption of the report.

**Hon. John Lynch-Staunton (Leader of the Opposition):** Honourable senators, I have some comments to make on this motion. However, I wish to read the transcripts of the committee hearing before doing so, and they were only received about one hour ago. Therefore, I move the adjournment of the debate.

On motion of Senator Lynch-Staunton, debate adjourned.

## INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

THIRTIETH REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the thirtieth report of the Standing Committee on Internal Economy, Budgets and Administration (*Senate Supplementary Estimates 1998-99*), presented in the Senate on February 16, 1999.

**Hon. Bill Rompkey** moved the adoption of the report.

He said: Honourable senators, I rise today to ask you to adopt the Supplementary Estimates for the fiscal year 1998-99. The total of these Supplementary Estimates is \$1,975,500. These

funds have three basic purposes: to meet operational shortfalls in committees and parliamentary associations; to settle salary increases for Senate employees, which have been frozen for the previous six years pursuant to the Public Service Compensation Act; and to replace obsolete information technology equipment within the administration.

As honourable senators are aware, 1998-99 has been unprecedented in terms of the volume of committee work. Our committees carried out policy studies in a number of areas of vital importance to Canadians, travelled to and took evidence in many regions of the country, and presented over 17 major reports.

There is no question that Senate committees have made and are continuing to make a substantial contribution to public policy in this country. What is interesting for many of us is that, increasingly, committees are being perceived by others as making a valuable contribution. I will go into this in more detail when I talk about the Main Estimates.

Honourable senators, these reports cost money. Additional support for this committee work was unforeseen at the time the Main Estimates were adopted. This support includes such items as video recording for television broadcast of committee proceedings, additional travel costs and contracting for professional services, an increase in witnesses' expenses, and the reprinting of the Euthanasia and Assisted Suicide report. Additional funds of \$600,000 are requested to meet these committee expenses.

These Supplementary Estimates also include an amount of \$27,500 for the Senate portion of the newly created Canada-China Legislative Association. This is a new association recommended by the Joint Inter-Parliamentary Council and approved by the House of Commons. Expenses are shared on a 30-70 basis with the other place.

These Supplementary Estimates also include personnel-related expenses. At the request of Treasury Board, salary increases were not included in the 1998-99 Main Estimates. There is now a requirement to settle increases retroactive to April 1, 1998. The amount we are requesting is \$1,163,000, which also includes funds to pay for Workers' Compensation and termination benefits for Senate employees.

Finally, an amount of \$185,000 is requested for information technology. Fiscal 1998-99 is the third year of our three-year plan to replace equipment in the Senate administration. These funds are required to maintain our investment in information technology and continued compatibility with the House of Commons and the Library of Parliament.

Your Internal Economy Committee recommends that senators approve this request for Supplementary Estimates for this fiscal year.

**The Hon. the Speaker:** Is it your pleasure, honourable senators, to adopt the motion?

**Hon. Thérèse Lavoie-Roux:** On division.

Motion agreed to and report adopted, on division.

## INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

### THIRTY-FIRST REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the thirty-first report of the Standing Committee on Internal Economy, Budgets and Administration (*Senate Estimates 1999-2000*), presented in the Senate on February 16, 1999.

**Hon. Bill Rompkey** moved the adoption of the report.

He said: Honourable senators, the Senate's proposed budget for 1999-2000 is \$47,421,200, which represents an increase of 6.1 per cent from the 1998-99 budget. I am confident as the Chair of the Internal Economy Committee that the Estimates I am recommending to you represent valid, reasonable and justifiable spending of the public purse.

For many years, the Senate has been a voluntary and willing participant in the government's expenditure restraint program. As an institution, we imposed restraint despite the fact that our base budget was inadequate to allow us to carry out our normal duties, let alone to meet any extraordinary demands. We regularly deferred expenditures on items that were deteriorating and which would inevitably have to be replaced. We experienced deterioration of capital assets. There was always a concern that health and safety issues were not properly addressed, and that our staff had little flexibility to deal with ongoing operations or to adapt to a rapidly changing and increasingly challenging working environment.

Despite these financial and operating restraints, the Senate took on additional programs and activities. We assumed the responsibility for the security of the East Block. We made advances in information technology, and we did our best to maintain the necessary technological compatibility with our partners on the Hill.

The number of standing and special committees and parliamentary associations has increased, as has their workload. Through CPAC we began the regular broadcasting of committee meetings. We also had to provide for more adequate office and research budgets to enable the Senate to perform these added duties effectively. All of this was achieved within the government's restraint policy.

In response to these and other new demands and responsibilities, the Internal Economy Committee began a gradual recovery approach last year. This strategy calls for modest increases in the budget for ongoing operating expenses.

Honourable senators, there are a number of significant changes proposed in the 1999-2000 budget. An amount of \$923,000 has been added as a result of the provisions of Bill C-47, to amend the Parliament of Canada Act, the Members of Parliament Retiring Allowances Act, and the Salaries Act adopted in 1998. This amount also reflects the Senate's decision to provide for living expenses for eligible senators in the National Capital Region.

Staff salary increases for the past two years of \$649,000 have been added as a result of signed agreements for represented and

unrepresented employees, and the lifting of the salary freeze. An amount of \$545,000 has also been added to support several areas of the Senate that have been understaffed for the past few years. An amount of \$275,000 has been added for information technology maintenance and enhancement.

Honourable senators, the Senate, like all other organizations, cannot afford to lag behind the rest of our society and economy in technology. Major initiatives, including the creation of information sites on the Internet, require the Senate to continue its investment in technology. I should like to pay tribute to Senator De Bané, who chaired the subcommittee of the Internal Economy Committee on that particular issue.

Finally, additional resources of \$250,000 have been added for the television broadcasting of Senate committees, as a result of the Senate's agreement with CPAC and a service agreement signed with the House of Commons.

Honourable senators, I cannot tell you that this will be an adequate budget for the Senate. Many areas will continue to be underfunded. Perhaps the best example of this is the amount set aside for committees and parliamentary associations. That amount remains insufficient. Senators' research and office budgets are still well below authorized levels of funding. Indeed, additional funds may be requested in 1999-2000 to cover potential shortfalls.

Honourable senators, a summary of the Senate's 1999-2000 expenditure budget was attached to the report of our committee when it was presented in the Senate on February 16, 1999 and was printed in the *Journals of the Senate* of that date. The big question, honourable senators, is: What have Canadians been getting for their money? Let us take a look at that for a moment.

Senate committees have had a tremendously busy year. Projections show that we will reach 46 per cent more hours in committees than in 1995-96, 38 per cent more than in 1996-97, and 63 per cent more than in 1997-98. The number of witnesses before our committees has doubled since 1995-96. The public comments that these committees receive indicate that their efforts to articulate the concerns of Canadians is recognized, and that Senate committees did make a substantial contribution to public policy development in this country.

I want to take the time to put on record today some specific evidence of that, because all too often that evidence is not made public. An indication of what I have just said can be found in the comments made by Wendy Lill, NDP member of Parliament for Dartmouth. Ms Lill asked to appear before the Standing Senate Committee on Legal and Constitutional Affairs on Bill C-220, Tom Wappel's "profit from crime" bill. This bill would have fundamentally altered the freedom of speech rights of Canadians. Because the Senate slowed the process down, Ms Lill had the time and the opportunity to take another look at that controversial legislation. She herself admitted before our committee on February 25, 1998, that the passage of Bill C-220 by the House of Commons in less than five minutes was not one of the proudest feats of the Commons. In this instance, the Senate clearly played the role that second chambers are supposed to play: that is, to be a check on hastily considered and ill-conceived legislation.



Let me remind honourable senators of other comments made about our committees during the year. On April 25, 1998, Neville Nankivel, writing in *The Financial Post* said:

In recent years the Upper Chamber has done a better job than opposition parties in improving legislation... Its committees — where the real work is done — have for years made a valuable contribution to the shaping of federal public policy. For example, the Senate's experienced committee on banking and finance has long played an influential role in policy related to the financial services sector — governments have asked for its advice and frequently received it. The Senate's legal and constitutional affairs committee has been helpful in pointing out goofs in proposed bills and getting them fixed. Recently, the Senate has had a significant impact on such issues as electoral boundaries redistribution, the divorce act, the Newfoundland schools question and assistance for postsecondary education. Its presents hearings on changes to the Canadian Wheat Board could lead to amendments.

Honourable senators, we have some outstanding colleagues in this chamber who make invaluable contributions to the issues that they champion. They make these contributions either in committees or in their own right. I want to take some time now to draw attention to some of the work that has been done, and to how senators have applied themselves. To that end, I quote from an article in *The Globe and Mail* by Anne McIlroy and Shawn McCarthy on October 26, 1998. They said:

It is often a place where party warhorses are put to pasture, but the Senate also has become the stomping ground of some of the most activist, radical politicians on Parliament Hill.

...the agriculture committee, for example, has forced the issue of food safety into the open despite attempts by Health Canada to minimize any controversy.

...it called as witnesses the Health Canada scientists who had been forbidden to speak publicly about how they had been pressed by superiors to approve drugs they didn't think were safe, including bovine growth hormone.

...Conservative Senator Mira Spivak and Liberal Eugene Whelan were behind the aggressive tactics, taking on both the health department and Monsanto Co.

...the Senate also has been activist on the tobacco issue, filling a vacuum left by health minister Allan Rock.

Liberal Senator Colin Kenny has sponsored a bill that will go before the Commons this fall, proposing a 50-cent levy on each carton of cigarettes sold.

As we in this chamber know, honourable senators, although that tobacco battle was lost, the war is far from over, and it was a senator who kept the troops in the field. Senator Kenny may have lost the battle, but he has not lost the war.

The article goes on:

...New Brunswick's Erminie Cohen has taken up the cause of the poor. She won Senate approval for a bill that broadens human-rights legislation to protect Canadians with low incomes from discrimination at the hands of banks, telephone companies and federal agencies.

Honourable senators, I want to put on record other indications of senators who deserve honourable mention.

Senator Pat Carney is well known for her work in support of the small boat fishing fleet on the West Coast. Her concerns for safety led to two parliamentary studies, both of which found severe safety risks in the plans to automate weather observation systems. The government has since decided to maintain the lightkeepers on stations both in British Columbia and in Newfoundland and Labrador. That was a change of policy initiated in this chamber.

The dean of the house, a veteran of the RCAF, Senator Orville Phillips, has championed the cause of veterans as chair of that subcommittee. His committee, virtually single-handed, was responsible for the holocaust museum being built as a separate building rather than as part of the War Museum. I believe that this is an outstanding example of how the Senate makes important, well-considered and popular changes to public policy.

Senate committees travel to various parts of Canada in order to hear the views of Canadians. The Standing Senate Committee on Agriculture and Forestry, chaired by Senator Gustafson, for example, visited Manitoba, Saskatchewan and Alberta during its study of Bill C-4, the Wheat Board Act. Indeed, members of the Reform Party urged them to go, and certain members of the Reform Party acknowledged that they learned more from the Senate committee hearings than from any other forum. The committee proposed several amendments to Bill C-4 and the Senate adopted its report. The House of Commons then accepted the proposed amendments.

Honourable senators, I have taken time to draw attention to these matters because a budget should not simply be a dry recitation of numbers but also the results of expenditures we make. It should be not only an accounting of taxpayers' dollars but also of the value that taxpayers get for those dollars.

The Senate is the least expensive legislature in Canada on a per capita basis, yet I believe it to be one of the most valuable. The items I have listed would not have been accomplished without the Senate. The work I have referred to would not have been done without the Senate. That work cannot be done without expenditure, and it is an expenditure well worth making.

I believe that these are expenditures from which Canadians from coast to coast to coast gain enormously. I ask you to adopt this proposed budget.

**The Hon. the Speaker:** If no other honourable senator wishes to speak, I will proceed with putting the motion.

Motion agreed to and report adopted.



## PRIVATIZATION AND LICENSING OF QUOTAS

### CONSIDERATION OF REPORT OF FISHERIES COMMITTEE— DEBATE CONTINUED

On the Order:

Resuming debate on the consideration of the third report of the Standing Senate Committee on Fisheries, entitled: "Privatization and Quota Licensing in Canada's Fisheries," tabled in the Senate on December 8, 1998.—(Honourable Senator Perrault, P.C.).

**Hon. Mary Butts:** Honourable senators, I rise to reply to the report of the Standing Senate Committee on Fisheries, tabled in this chamber on December 8, 1998. I might say that the advantage in the delay of my reply was not simply to await the reaction of the favoured newspaper of this chamber but, more important, to gather the uniformly favourable reactions of the fishers of the Nova Scotia coastal communities.

First, the bad news. An editorial in the often-quoted *Globe and Mail* maintained that:

...the committee — heavily dominated by Atlantic members — ended up parroting the ill-informed criticisms of those who believe that there is nothing wrong with the fishery that a little more blinkered romanticism, high-handed regulation and destructive subsidization cannot fix.

That is the first time I have been called a "romantic," even a blinkered one.

The good news that I believe would cheer the hearts of all members of this chamber is from one columnist from the East Coast, who wrote:

...just when citizens were thinking the Canadian Senate is a waste of money and ought to be abolished, the maligned Upper Chamber goes and does something useful.

Another writer began his column with the statement, "Maybe the Senate isn't such a bad idea after all." This writer went on to say, "It is hard to conceive of privatizing the ocean, but it was hard once to believe that it was possible to privatize the land."

The mandate of your committee was to review the process of quota licensing on our coasts and to assess the economic, biological and especially the social effects of the present system of ITQs — that is, individual transferable quota licences.

It is maintained by its advocates that the rationale for the ITQ method of management is primarily that it is efficient. Your committee contends that it may be efficient for the large corporations involved but it results in a tremendous inefficiency for hundreds of coastal communities and the families who are forced on to the welfare rolls.

Before making a couple of observations, I wish to thank the chairman of this committee, the Honourable Senator Comeau; and the committee members for the enjoyable and work-like

atmosphere of the committee meetings. I wish also to thank the clerks and the researchers for their valuable assistance.

I want simply to make two further observations. The first is with regard to process. Your committee was able to speak with and question those from Canada's coastal regions who wished to be heard. Further, we were able to gain an international perspective by learning about ITQ management schemes in Iceland and New Zealand. These nations were not randomly chosen for examination but, rather, because — as one columnist wrote — "DFO officials love the examples of Iceland and New Zealand, where ITQs are the primary form of fisheries management."

The interviews we had with stakeholders in those nations gave us a different picture. I have read since our interviews that Iceland's Supreme Court has ruled that the way quotas are allocated violates the Icelandic Constitution.

All this information was gained within the friendly confines of the Victoria Building. I, for one, was able to garner all the facts I could absorb by this technological method, and I was happy to do so with only a fraction of what it would cost for the committee or for witnesses to travel. I would highly recommend this orderly, fruitful methodology to any committee that needs simply to gather facts.

Now, a word about the committee's findings. In simplest terms, your committee has called for an unequivocal public statement of what our government means by "individual transferable quotas," and how far they intend to go with this method of fisheries management. Your committee has further recommended that this fisheries licensing policy be debated in the Parliament of Canada and that no new quota licence be issued until such debate is completed.

We ask as well that the government consider the long-term economic and social effects of the ITQ system on Canada's coastal communities, aboriginal and other. We reiterate that the inshore fishery is the economic basis of a traditional way of life in hundreds of these communities, and it is incumbent on the Department of Fisheries and Oceans to see that this way of life is sustainable.

The families of inshore fishers have a right to earn a living in their communities. A few days ago, in this chamber, we heard the Honourable Senator for Saint-Louis-de-Kent, in New Brunswick, make a plea for the right of inshore fishers there to have access to a crab fishery.

To help achieve these goals, your committee has asked that the Estimates of the Department of Fisheries and Oceans be referred to the Standing Senate Committee on Fisheries for parliamentary scrutiny.

Whether you are a "blinkered romantic" or interested in heavy-handed regulation, we ask your support in our efforts to find the ownership of these quotas within the community so that resource access can be redistributed to allow inshore fishers to participate and earn an honest living from the sea.

On motion of Senator Butts, for Senator Perrault, debate adjourned.

## ACCESS TO CENSUS INFORMATION

## INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Milne calling the attention of the Senate to the lack of access to the 1906 and all subsequent censuses caused by an Act of Parliament adopted in 1906 under the Government of Sir Wilfrid Laurier.—(*Honourable Senator Johnson*).

•(1500)

**Hon. A. Raynell Andreychuk:** Honourable senators, I want to thank Senator Milne for calling our attention to the lack of access to the 1906 and all subsequent censuses. It is an issue that requires a public policy debate and government action. I do not pretend to be an expert in this area, nor have I had the time to investigate fully all aspects of this problem. However, I wish to share some perspectives which I believe support Senator Milne's position, and I would add some other matters for consideration.

Population data has been collected from Canadian residents by census since before Confederation. The National Archives of Canada hold census returns from 1825 to 1871 in paper and micro form. These records are available for research purposes. In particular, the censuses of 1891 and 1901 were conducted in accordance with the Census Act, RSC 1886, chapter 58. Section 6 of that act provides as follows:

The Minister of Agriculture shall cause all forms and also all instructions which he deems requisite in respect of each census, to be duly prepared, printed and issued for use by the persons employed in the taking thereof.

Instructions in fact were issued by the minister directing that the information collected be treated in a confidential manner. As these were simply instructions by a minister, they do not have the force of law. As a result, no statutory prohibition against the disclosure of census information existed at that time. However, upon enactment of the Privacy Act in the 1980s, and utilizing section 8 of the Privacy Act and section 6(d) of the regulations, disclosure of census information was allowed 92 years following the census or survey. In other words, the Privacy Act allows for limited disclosure for research or statistical purposes, and takes into account that the information would not be reasonably obtained from another source and that the person asking to see the information undertakes not to subsequently disclose the information in any way that can identify the individual.

Therefore, all of the censuses, up to and including the 1901 census, allow for a reasonable disclosure of information to reliable sources but maintain a high degree of confidentiality and privacy for the individual whose information is being used. I believe that the government, through the Privacy Act, struck the right balance between privacy rights and national interest.

In 1906, the Census and Statistics Act was enacted for a population and agricultural census to be conducted in the provinces of Alberta, Saskatchewan and Manitoba. There are provisions embedding the rules and forms developed under the

act, giving them the force of law. An Order in Council, passed in 1906 in respect of the act, imposed the obligation of confidentiality on the census and statistics office established by the act under the authority of the Minister of Agriculture. A similar Order in Council with respect to confidentiality was passed in 1906 and was also passed in 1911. The 1911 census data, like that of the 1906 census, is sealed permanently from being disclosed under the 1906 legislation.

In 1918, the newly proclaimed Statistics Act created the Dominion Bureau of Statistics under the Ministry of Trade and Commerce. The Statistics Act set forth the confidentiality provisions that created a permanent seal on information contained in all subsequent censuses. The 1918 Statistics Act also repealed and replaced the 1906 Census and Statistics Act. This raised the question of whether the effect of the 1906 confidentiality provisions were altered when the 1918 act was repealed.

My understanding is that the government is relying on the Interpretation Act of 1970, section 35(6), which states:

Where an enactment is repealed in whole or in part, the repeal does not affect any right, privilege, obligation or liability acquired, accrued, accruing or incurred under the enactment so repealed.

Therefore, according to the government's position, for the purposes of the 1906 and 1911 censuses, the Privacy Act does not come into play, and the confidentiality provisions in the 1906 and 1911 census instructions continue to operate.

In this point, I would agree with the government's position that the 1918 Statistics Act and current Statistics Act of 1985 continue a complete prohibition of disclosure of census information from 1918. Further, section 17 of the 1985 act prohibits disclosure of the census information in such a manner that it can be tied to an identifiable individual.

While it is true that the 1918 census act disallows any access to census information on any terms whatsoever after 1918, I question the government's interpretation on whether the 1906 and 1911 non-disclosure provisions were as wide as those of the 1918 act.

If the Interpretation Act as applied states that no rights, privileges, obligations or liabilities are to be affected or extinguished, by extension they cannot be enlarged or added to unless specifically stated, which, in the case of the 1906 and 1911 censuses, they were not.

While the 1918 Statistics Act was explicitly stating complete confidentiality, we have to look at the 1906 statute which, in my opinion, is not so broad. The 1906 Order in Council in section 26 reads in part:

The facts and statistics of the census may not be used except for statistical compilations and positive assurance should be given on this point if a fear is entertained by any person that they may be used for taxation or any other object.



With respect to the 1906 census, one can easily see, putting it in an historic context, that the issue of confidentiality was not one of reassurance or expectation of subsequent public disclosure 92 years hence, but rather that no governmental officials could use that information for taxation purposes or other governmental purposes. One need only remember that this was the era of the introduction of personal income taxes and the beginning of government intrusion, and I use that term broadly.

In 1905, Saskatchewan and Alberta were created as provinces, and a new level of government produced an anxiety about governments in general in what was once the North-West Territories. Immigrants entered this territory often illiterate, poor and weary of government officials. Privacy was not the concept it is today, but rather the issue was a fear that government officials would use the information for taxes or other governmental purposes.

The 1906 census questions were geared to collecting information clearly accessible for taxation purposes. The 1906 act was more preoccupied with the capacity and conduct of those taking the information, and transferring and processing it.

It has taken many years to come to today's privacy expectations as we know them. As one constituent from Melville, Saskatchewan, has put it:

Since starting research into our family tree, we have come to realize how important the past is to all of us. Even if only a portion of the data were released to maintain the necessary level of confidentiality that was assured at the time the census was conducted, it would be better than not releasing the data at all.

Therefore, it is of value to emphasize the vast difference between the privacy sphere and social relations of individuals in Canada in the early 1900s and the current expectations.

Senator Milne has pointed out that the Privacy Commissioner has indicated that a rigid, non-disclosure is his preference, and that disclosure for the sake of historic or genealogical research is not sufficient to warrant any access.

I believe Senator Milne and Senator Fraser have put the case for historical and genealogical research persuasively, and their comments alone warrant a reconsideration of the total ban on disclosure after 1918. I would, however, wish to add three perspectives to the debates of all censuses from 1906 onwards.

•(1510)

First, immigrants from areas where other information is not available have only the census as a tracing point for their families. Many immigrants have come from war-torn areas where records were either not kept or destroyed. Others have come from areas in the old Iron Curtain where information may be suspect. There is no alternative to the census and immigration records for information. It is equally important to correct these records for historic purposes. This is particularly relevant for

1906 and 1911, but it is equally relevant today when one thinks of Rwanda, Bosnia and Kosovo. What will the ancestors of these new immigrants be able to trace of their histories in 100 years' time? Think of 1906 and 1911 when there were no records and no sophisticated record keeping as we know it today. We know that immigration officers and census officers took the information as they best knew it. They were qualified, but from today's perspective, we know that they did not understand languages, nor were they well trained in our standards to take these records. Are the census records really kept private because of the individual, or is it a privacy more in keeping with protecting a government system?

Second, I wish to point out that the 1906 census and the 1911 general census are the focus of considerable debate at present. The data could be of particular significance for the families and descendants of European immigrants who may have been caught up in the Canadian war effort in 1914. Immigrants from Eastern Europe who were landed immigrants or Canadians were deemed enemy aliens by the Canadian government and unjustly interned during World War I. Descendants of these persons may have no other records to demonstrate their lineage. We know for a fact that many who were termed "Austrian" at the time considered themselves Ukrainian, Russian, and anything but Austrian. Was the census information used to determine them as enemy aliens? Who took the information from these people? Were they competent and skilled to do so? Did they understand the information they were receiving or are there discrepancies due to language barriers?

Honourable senators, the third and final point I should like to make is that the 1906 Census Act lists the information to be collected. In section 14(a), it states, that the information to be collected shall be the "Name, age, sex, colour" — and I pause here — "social condition, nationality, race, education, religion, occupation and otherwise..."

It is interesting to note that the term "social condition" was used as early as 1906, and it would be interesting to learn why this term was used. How was it interpreted in the questionnaire? More important, what use did the government make of this information? It is small wonder that today the issue of social condition is being included in human rights legislation, such as in Senator Cohen's bill. When one looks at the factors outlined for collection, discrimination cannot be made on their basis. Why has social condition not been added so that discrimination is not made on social condition? Perhaps the 1906 census would enlighten us on this term and the present-day situation.

For these and other reasons, it is important that a public debate take place. I suggest that two questions must be answered. First, vis-à-vis the public's right in a democracy to know, to what extent should confidentiality be maintained as a double check on a system and for other good and valuable reasons as stated by Senator Milne? Second, where does a democracy draw the line between its need for reliable data and the healthy reluctance to compel citizens to provide detailed information? In other words, by revealing some of the information, even 100 years later, will we get the forthrightness from citizens that is demanded?



Honourable senators, I believe that a better balance could be struck if we also studied to what extent the information required must be taken under a census as opposed to another means. This leads directly into the debate which arose on the long form questionnaire in the last census. A public debate on these competing rights and the balance to be struck must occur, as was the case in Australia and other jurisdictions. All citizens will benefit from an adequate hearing of this issue, and I urge the government and other senators to enter into this discussion.

**The Hon. the Speaker:** Is it agreed, honourable senators, that this debate will remain in the name of the Honourable Senator Johnson?

**Hon. Senators:** Agreed.

### BLACK HERITAGE MONTH

UNDERGROUND RAILROAD AND NAZREY AFRICAN METHODIST EPISCOPAL CHURCH IN AMHERSTBURG, ONTARIO—INQUIRY

**Hon. Eugene Whelan** rose pursuant to notice of February 16, 1999:

That he will call the attention of the Senate to the celebration of Canada's Black heritage commemorations related to the Underground Railroad (UGRR), and in particular the national historic site the Nazrey African Methodist Episcopal Church in Amherstburg, Ontario, and its role.

He said: Honourable senators, this is a time when we want to increase awareness of the role of black Canadians as an important part of Canada's cultural heritage. Canada's black community is rightly proud of its tradition of tolerance, courage and accomplishment, as exemplified by the underground railroad. We should and must share their traditions, history and heritage with as many Canadians as possible.

From the 1830s through to the 1860s, thousands of African-American refugees from slavery used a secret network of supporters to escape to Canada, where their freedom was defended by the Crown. Remnants of the communities created by these travellers on the underground railroad dot the landscape of Southern Ontario. Many of the sites related to the UGRR are still in use today. The Nazrey African Methodist Episcopal Church — AME — in Amherstburg, Ontario, is one of them. It was erected in 1848 and descended from an earlier Methodist congregation established in 1826. It was designated a national historic site in December of 1998.

Many refugees chose to flee across the Detroit River to the settlement of Amherstburg. The refugee community joined the Methodist community and the simple stone chapel was built. The church was likely the most important institution to the underground railroad community, and the Nazrey AME Church is an outstanding example of the many small structures that serve as reception centres and the first spiritual home for many of the new arrivals.

Honourable senators, the church was scheduled to be demolished, but it is now managed as part of the North American Black Historical Museum and is being restored. I should like to bring to the attention of everyone who reads this, and to my colleagues in the Senate, how this came about.

•(1520)

When we review some of the history, we find that some people have become involved only because of the publicity that was brought to the project. The board of directors, under the chairmanship of Betty Simpson, with her husband Melvin Simpson, had persuaded me, way back when I was first a member of Parliament, that we should be participating in creating a black museum in that part of Canada.

She was chairman of the board when the board made its decision to actively pursue the raising of funding to restore the Nazrey African Methodist Episcopal Church. For the last 10 years the pace has been steady but slow. In the interim, the physical stability of the church had gradually deteriorated. In fact, in this past summer, 1998, a particularly vicious storm caused alarming damage. It was feared that the church could fall down. A decision was made by the board of directors, under Betty Simpson, to demolish the Nazrey.

A letter was drafted and sent to council and to the local Amherstburg committee for architectural conservation, soliciting support for this heartbreaking decision. Local newspapers printed the articles which publicized the devastating news that the Nazrey was to be torn down before it crumbled.

They say God works in mysterious ways. A man who was an immigrant himself read this item in the newspaper and heard it on the radio. He had come from Germany as a young man to that part of Canada, and received his education as an architectural engineer. He and another man who was also an immigrant and a retired contractor decided to meet at the site of the church. An estimate had been given by an architect from Ottawa, from one of the departments here, that it would cost over \$3 million to rebuild this church.

This man, Norm Becker, and the other man, a retired contractor, Louis Scodeller, aged 77, decided that they should meet with the board of directors. They estimated that with the help of the architects, and of the engineering associations in Ontario, and together with volunteer workers, they could rebuild this church for \$625,000.

They then met with the local Council of Amherstburg. I might point out that the Mayor of the Town of Amherstburg, Wayne Hurst, is also a descendant of African slaves. His mother and father were actually married in this church 66 years ago. The six members of the board of directors decided that they should adhere to what Norm Becker and Louis Scodeller were advising them to do. They met with their local member of Parliament, Susan Whelan, who promised her support and that of her father, Senator Eugene Whelan, for the fundraising program which was to take place.

I am pleased to report to you that this miracle has taken place. Besides what the Government of Canada has contributed and other private funds that have been raised, great efforts have also been made by community supporters. A contribution of \$250,000 has been received, as well as professional and technical assistance being provided not only by the engineers' association but also by Parks Canada officials.

Even though this support has been made available, there

remains a need for additional funding. It is imperative that we preserve the integrity, the longevity and the cultural milieu of the Nazrey African Methodist Episcopal Church for future generations, exemplifying the black thread in the Canadian tapestry.

**The Hon. the Speaker:** If no other honourable senator wishes to speak, this inquiry shall be considered debated.

The Senate adjourned until tomorrow at 2 p.m.





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CANADA

# Debates of the Senate

1st SESSION

• 36th PARLIAMENT •

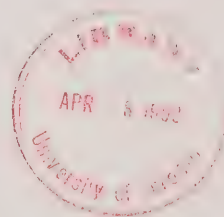
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OFFICIAL REPORT  
(HANSARD)

Thursday, February 18, 1999

—  
THE HONOURABLE GILDAS L. MOLGAT  
SPEAKER





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(Daily index of proceedings appears at back of this issue.)

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## THE SENATE

Thursday, February 18, 1999

The Senate met at 2:00 p.m., the Speaker in the Chair.

Prayers.

### SENATORS' STATEMENTS

#### LITERACY ACTION DAY

**Hon. Joyce Fairbairn:** Honourable senators, today literacy advocates and learners are moving through our corridors, taking their message to over 80 parliamentarians on this our annual Literacy Action Day. I want to thank those senators who are setting aside time to meet with them and to listen to what they have to say.

At a time when we are exhorting Canadians to get cracking and prepare themselves for the demands of the new century, we should think carefully about the message we are hearing today. Millions of Canadians, over 40 per cent of our adult citizens, have varying degrees of difficulty with reading, writing and life skill tasks that everyone in this chamber takes for granted. Many of them have learned to cope in other ways, to the point that they do not believe they have a literacy problem. Others are afraid to come forward to seek help in case they may lose any of the gains they have made in life.

Behind these statistics, honourable senators, are real people. They are children growing up without an early motivating force to learn. They are teenagers falling through the cracks because they cannot read and communicate well enough to stay in school, finish school, or get a job. They are parents who put themselves and their families at risk because they cannot read instructions on medication or on dangerous substances. They cannot read to their children. They are workers who need to learn new skills in a highly technological society. They are seniors, many of them women, often single, unable to ease their loneliness and their pain with the comfort of a book as a friend.

The literacy community and its army of volunteers have worked hard to bring programs to those most in need across the country, on the ground, where people live and learn. We have done this in church basements, on factory floors, in buses transporting workers to farms, and on urban streets, through high-tech distance learning and in hidden rooms where no one else can see or hear.

●(1410)

This is a huge issue, honourable senators, and no one sector or group can tackle it alone. That is why we have put together a

strong network of partners, including federal and provincial governments, business, labour, educators, and the national organizations and their coalitions who are here today — ABC Canada, La fédération canadienne pour l'alphabétisation en français, Frontier College, Laubach Literacy of Canada, the Movement for Canadian Literacy, and the National Adult Literacy Database. I should also mention my own precious affiliation, the National Literacy Secretariat of Canada, which works on behalf of the federal government.

Honourable senators, these people are talking to us about health care, about justice, about corrections, about employment and about aboriginal people. Overall, they are talking about life-long learning. If we do not use our literacy skills, we will lose them. Any adult learner will tell you of the pain and frustration, and very often the fear involved in trying to learn again.

If you think of it, honourable senators, literacy is a foundation for most of what we do in life as individuals and as a country. Parliamentarians should not have to be dragged into this issue. It is the substance of so many of the lives in their constituencies and their provinces.

Honourable senators, in the Senate we have been supportive over the years but I think we need to use our position to show leadership. One of the toughest challenges for literacy is awareness and understanding.

You have all received invitations to attend the Literacy Action Day reception at five o'clock this afternoon in the Aboriginal Peoples' Room. Please come and meet the advocates who care so much, and the learners who have become our best teachers. You will hear stories that will make you cheer, and even shed a few tears. I can guarantee you will be inspired, and I hope you will leave willing to help.

**Hon. Mabel M. DeWare:** Honourable senators, I rise with pleasure today to speak about an issue that is critical to the health and well-being, both social and economic, of Canadians. It is also a subject very close to my heart, and that is literacy.

Today is Literacy Action Day. It has been sponsored every year since 1993 by six national organizations active in the field. The programs provided by these groups are a lifeline to many adult Canadians who do not have the reading and writing skills they need to fully benefit from all that Canada has to offer. I should like to take this opportunity to thank them for their hard work and their dedication.



Literacy Action Day is an opportunity for each and every one of us to think about all that literacy means and what we can do at the federal level to help promote it. Those of us who are fortunate enough to be able to read and write our way through modern society with ease often take our literacy skills for granted. However, we must not forget that for many Canadians these skills are not there or they are not developed enough. The problems associated with their lack of literacy range from poor health to underemployment and joblessness.

There are other quality-of-life issues that are not as apparent but just as painful. Think of the mother who cannot read her child a bedtime story, the senior who cannot understand the directions on a medicine bottle, or the teenager who cannot fill out an application for a driver's licence.

The 1994 International Adult Literacy Survey found that an alarming 22 per cent of Canadians 16 years and over have serious difficulty reading printed materials. Another 24 per cent to 26 per cent can only deal with material that is simply and clearly laid out, and material in which the tasks involved are not too complex. It is indeed a cause for alarm that close to half of adult Canadians lack proper literacy skills.

Honourable senators, we must continue to build on the momentum created by the former Progressive Conservative government to improve the literacy of Canadians. It was the first federal government to recognize that literacy is an issue of national importance and requires cooperative national action. The creation of the National Literacy Secretariat in 1988 confirmed Ottawa's leadership potential in this crucial area, and I urge the current government to continue to provide that body with the support it so richly deserves.

At this point, honourable senators, I should like to compliment the former leader of the government in the Senate, the Honourable Joyce Fairbairn, as she continues her role on this committee.

Honourable senators, in my previous life as minister of community colleges and minister of advanced education in New Brunswick, I was privileged to be able to play a small role in improving literacy for my fellow New Brunswickers. I remember in particular one woman who asked me if she could get a position in a program being offered in a New Brunswick community college called NBCC, and I managed to do that for her. When she proudly received her certificate in 1984, she presented me with a poem that she had written herself. I have it hung in my office today, and I should like to read it to you. It is entitled "The Graduate," and it reads:

When I leave this place tomorrow,  
Though I'll feel a little sorrow  
I look forward to a life  
Wherein I'm not just someone's wife.  
An individual at last,  
Not thinking that all time has passed  
And left me high and dry and old  
And withering and feeling cold.  
I've learned some pretty nifty things,  
And once again my feet have wings.  
I'm racing on to greater things  
With the confidence that knowledge brings  
And though my house is looking worse,  
It doesn't make me want to curse  
For if at times I feel I must  
Perhaps I'll rearrange the dust  
Or make the beds or do some cooking,  
Or maybe I'll just stand there looking.  
I wonder, is this really me?  
Oh! Thank you, thank you, N.B.C.C.

**Hon. Ethel Cochrane:** Honourable senators, today across Canada is Literacy Action Day. Since 1993, we have designated this day to recognize the work of national and local literacy organizations and to promote awareness of the need for continued support for literacy.

It is estimated that between 7 million and 10 million Canadians cannot work well with words and numbers. For those with low literacy levels, that affects every aspect of their life, personal, social and economic. We speak glowingly, as the Minister of Finance did in his budget speech on Tuesday, of our movement towards a knowledge-based society and economy. However, participation in that society and economy is increasingly barred to those many Canadians who lack the necessary basic skills.

In our country, honourable senators, literacy levels decrease as we move from west to east. The lowest level is found in my province of Newfoundland and Labrador. There are very dedicated people in that province, as there are throughout Canada, who work to provide others with those badly needed basic skills. Yet many of their centres are suffering from lack of adequate funding support.

Last June, a literacy centre in GRIQUET, which is near St. Anthony on the Northern Peninsula, closed down. Two weeks ago, an adult literacy centre in Deer Lake closed due to lack of funding. Lo and behold, this coming June, another centre in Corner Brook is due to close. Honourable senators, it is against this background that literacy organizations today are appealing for your support. The Literacy Development Council of Newfoundland and Labrador has set up information displays in shopping malls right across the province. The council is encouraging schools to participate in Newfoundland and Labrador Read-In 1999. There are many similar activities sponsored by literacy organizations everywhere in Canada.

On Literacy Action Day, I urge honourable senators to give some thought to how literacy affects all our lives and to support the efforts of local, provincial and national literacy organizations.

## ROUTINE PROCEEDINGS

### NUNAVUT ACT

#### BILL TO AMEND—REPORT OF COMMITTEE

**Hon. Lorna Milne**, Chair of the Standing Senate Committee on Legal and Constitutional Affairs, presented the following report:

Thursday, February 18, 1999

The Standing Senate Committee on Legal and Constitutional Affairs has the honour to present its

#### TWENTY-FIRST REPORT

Your committee, to which was referred Bill C-57, to amend the Nunavut Act with respect to the Nunavut Court of Justice and to amend other Acts in consequence, has, in obedience to the Order of Reference of Thursday, December 10, 1998, examined the said bill and now reports the same without amendment.

Your committee does, however, feel it is important to underscore certain issues concerning the context in which the Nunavut Court of Justice is to operate. Your committee is of the view that the fair administration and implementation of justice in the new territory of Nunavut requires great vigilance. Your committee considers this to be particularly the case in respect of the appointment and training of justices of the peace, who will play a pivotal role in the Nunavut justice system. It is equally essential that minority rights be protected in all other areas of justice delivery.

Respectfully submitted,

LORNA MILNE  
*Chair*

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the third time?

On motion of Senator Milne, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

### ROYAL CANADIAN MINT ACT CURRENCY ACT

#### BILL TO AMEND—REPORT OF COMMITTEE

**Hon. Terry Stratton**, Chairman of the Standing Senate Committee on National Finance, presented the following report:

Thursday, February 18, 1999

The Standing Senate Committee on National Finance has the honour to present its

## EIGHTH REPORT

Your committee, to which was referred Bill C-41, to amend the Royal Canadian Mint Act and the Currency Act, has, in obedience to the Order of Reference of Wednesday, December 9, 1998, examined the said bill and now reports the same without amendment.

Respectfully submitted,

TERRANCE R. STRATTON  
*Chairman*

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the third time?

On motion of Senator Carstairs, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

## THE BUDGET 1999

#### STATEMENT OF MINISTER OF FINANCE—INQUIRY

**Hon. John Lynch-Staunton (Leader of the Opposition):** Honourable senators, I give notice that on Tuesday, March 2, 1999, I will call the attention of the Senate to the budget presented by the Minister of Finance on February 16, 1999.

## QUESTION PERIOD

### THE SENATE

#### INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION COMMITTEE—ALLEGATIONS OF FAILURE TO EMPLOY DEFICIT-CUTTING MEASURES—POSITION OF CHAIRMAN

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, my question is directed to the Chairman of the Standing Committee on Internal Economy, Budgets and Administration.

I read in a newspaper article this morning that Mr. Galloway, a member of the other place, is reported to have said that the Senate did not cut back like the House of Commons did when the government was eliminating the deficit. Could the Chairman of our Internal Economy Committee speak to that matter, as well as some of the other glaring errors that are reported from that source?

**Hon. Bill Rompkey:** Honourable senators, I appreciate the question of the honourable senator. It is unfortunate that we cannot get some honest reporting about the Senate in this town. What appeared in the press this morning is diametrically opposed to what I said yesterday in this chamber, although the reporter actually listened to the audio recording of what transpired here.

I said yesterday, and I repeat again today, we have exercised restraint. If honourable senators look at the figures for 1991-92, they will see that we had a decrease in our budget of 9 per cent, while the House of Commons had an increase in its budget of 1.1 per cent. We have cut to the bone since 1991-92. In fact, this year we are just getting back to 1991-92 expenditures in real dollars.

Honourable senators must remember that the House of Commons has been televising committees for years. We are just putting an infrastructure in place now. It costs money. The House of Commons has had a housing allowance for years. We are just starting to build that in. It, too, costs money.

We have some catch-up to do in terms of the ability of our staff and the tools they need to do the work they have to do. We need more people. We have a lot more work to do and we have to put the people in place to do it. Clearly, we are starting to build the process of catch-up responsibly.

In terms of our restraint program, we started that process before the House of Commons and we have matched them dollar for dollar in restraint. Our record in that regard is nothing to be ashamed of.

**Hon. Norman K. Atkins:** Honourable senators, I, too, should like to ask a question of the Chairman of the Standing Committee on Internal Economy, Budgets and Administration.

Has the member of Parliament mentioned been instructed in your caucus about this kind of information so that he can be straightened out on some of the things that he is saying in public?

**Senator Rompkey:** Honourable senators, I cannot talk about what goes on in caucus, any more than senators opposite can. What I can say is that there are many people on this side of the chamber who would like to straighten out that honourable member. I can say openly that some people have taken certain steps in that regard already. I will leave it at that.

INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION  
COMMITTEE—RESTRAINT IN SENATORS' BUDGETS—  
POSITION OF CHAIRMAN

**Hon. Thérèse Lavoie-Roux:** Honourable senators, my question is also directed to the Chairman of the Standing Committee on Internal Economy, Budgets and Administration.

Can the chairman of the committee tell me if the scale of entitlement which was approved a few years ago to restrain the expenses in senators' offices is being respected? I have just heard about a senator, who is not new to this place, and who is having his office almost entirely redone at a cost of \$15,000. I cannot see how that kind of expenditure can be approved.

**Hon. Bill Rompkey:** Honourable senators, we are holding the line on the overall budgets of senators. In this year there will be no increase, which is another example of exercising restraint.

With regard to expenditures on actual physical equipment, there will be some. I have a list with the names of about 15 to 20 senators, which I do not have with me, who will be having

repairs done to their offices. I would not call these exorbitant amounts. I do not think that \$5,000 or \$10,000 is an exorbitant amount to spend on repairs and needed furnishings. For example, some people had to have doors installed in their offices to connect one room to another. These things had to be done, and I do not think the costs are exorbitant.

## NATIONAL DEFENCE

SEARCH AND RESCUE PROGRAM—MAINTENANCE PROGRAM  
FOR SEA KING HELICOPTERS—CONTINGENCY PLANS  
IN EVENT OF FAILURE—GOVERNMENT POSITION

**Hon. J. Michael Forrestall:** Honourable senators, I rise with some sadness and with a heavy heart. We have now had another incident where a Sea King helicopter was forced to land. That happened about 28 kilometres out at sea, when transmission or hydraulic problems developed.

This week's budget said nothing with respect to capital equipment; nothing to address the question of the replacement of the Sea Kings. I ask the minister: What contingency plans does the government have? I ask that because it is clear from the budget that the attitude of this government has now moved from risk management with respect to deployment and use of the Canadian Armed Forces to a posture of calculated risk-taking. That is quite different from risk management. One of these days we will face tragedy unless something is done, and done very quickly. I repeat: Does the government have any contingency plans?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, the Sea King fleet at Shearwater has not been grounded.

**Senator Forrestall:** Perhaps it should be.

**Senator Graham:** Some of the helicopters are scheduled to deploy for exercises with the navy in the next few days. As the Honourable Senator Forrestall is aware, one of the squadron of Sea Kings stationed at Shearwater recently experienced technical problems. The commanding officer has therefore decided to stop all non-essential flights to ensure that the helicopters are ready for the exercise. However, Sea King helicopters and crews at Shearwater will continue to be available to participate in search and rescue missions.

As I have said on many occasions, honourable senators, we do not intend to fly unsafe aircraft. When a problem occurs with our helicopters, that problem is tracked down and identified. The cause of the problem is then identified and fixed. It is regrettable that there was that incident off the coast of Nova Scotia yesterday but, again, officials are attempting to identify the problem and remedy it immediately.

SEARCH AND RESCUE SERVICE—NUMBER OF EMERGENCY  
HELICOPTER LANDINGS—REQUEST FOR TABLING OF LIST

**Hon. J. Michael Forrestall:** Honourable senators, "restricted flight" is not "grounding." I am sorry that I inadvertently used that term, because that is the very next step.



It is now about two years since we began to see a rapid development in problems with the Sea Kings. Could the minister undertake to have someone in the department table for us here in the chamber a list of all of the emergency landings undertaken of necessity by Sea Kings in the period of the last two years?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, if that is appropriate and if the information is available, I am certainly prepared to do so.

I will consult with my colleague the Minister of National Defence with reference to the incident that was reported yesterday. The pilot decided to make a precautionary landing after experiencing some difficulties with the mechanical controls of the helicopter.

**Senator Berntson:** Yes, before it fell out of the sky.

**Senator Graham:** The crew landed safely, and they were in complete control. No one was injured. An investigation has been undertaken by a maintenance crew to determine the cause of the problem.

It is important to note that the forced landing was not related to engine start-up problems, which we talked about yesterday.

**Senator Forrestall:** Honourable senators, surely when a Sea King helicopter lands near a golf course a mile and a quarter away from the base, the pilot did not land under "full control."

**Senator Lynch-Staunton:** Maybe the Prime Minister was on board!

**Senator Forrestall:** Yes, perhaps that was the case. That landing yesterday was serious. I know the minister takes this matter very seriously. I just wish he had some clout at the cabinet table. Yesterday, that plane was not under "full control." That crew was very fortunate to land on the ground, and not in the ocean.

If the minister could obtain for us a list of occasions on which Sea Kings were forced to land in circumstances similar to this recent incident, I would appreciate it very much.

**Senator Graham:** Honourable senators, I would be happy to bring forward the information if it is appropriate and available. As my honourable friend would know after our many discussions, the government remains committed to ensuring that the Canadian Forces have the equipment that they need to carry out their missions at home and abroad.

**Senator Forrestall:** Where are the dollars and cents to buy it?

**Senator Graham:** The maritime helicopter project is a core project within the Department of National Defence. At this particular time, the minister and his officials are in the final stages of the development of a procurement strategy.

As we have said on many occasions, we want to move on with the replacement project for the Sea King helicopters as quickly

as we can. The minister hopes to make an announcement within the year.

## THE ECONOMY

### LACK OF LONG-TERM DEBT REDUCTION STRATEGY— GOVERNMENT POSITION

**Hon. Donald H. Oliver:** Honourable senators, my question is for the Leader of the Government in the Senate. This concerns the government's debt reduction strategy — or rather, the lack of one.

The government has again failed to set out any kind of meaningful, long-term debt reduction strategy. There are no targets and there is no long-term plan. Today, among the G-7 countries, only Italy has a higher level of debt relative to GDP. Approximately two years from now, according to the budget, our debt will be down to 55 per cent of GDP. Before government senators applaud too loudly, they should reflect upon the fact that Canada will still have the second-highest level of debt in the G-7.

Why does the government continue to refuse to set any kind of long-term debt reduction targets?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, the Honourable Senator Oliver is totally and completely inaccurate.

**Senator Oliver:** What are the targets, then?

**Senator Graham:** The government does have a long-term plan. It is called "the debt repayment plan." I urge Senator Oliver to check the facts before he makes such assertions.

The debt repayment plan was announced in the last budget. The government is already committed to reducing the debt.

**Senator Murray:** What is "long term"? Is it two years?

**Senator Graham:** Honourable senators, there are three key elements in the plan: First, there is the two-year fiscal plan, based on prudent economic planning assumptions.

**Senator Murray:** That is long term!

•(1440)

**Senator Graham:** Second, there is the inclusion in the fiscal plan of a contingency reserve in each year, and third, the use of the contingency reserve, when not needed, to pay down the public debt. The plan has already been a success. In 1997-98, the government reduced federal public debt by \$3.5 billion. I would invite the Honourable Senator Oliver and other honourable senators opposite to tell us when, during the period that they were in office, they reduced the debt.

**Senator Lynch-Staunton:** Tell us when that wizard Allan MacEachen did it!

**Senator Graham:** As a result, in 1997-98, Canada's debt-to-GDP ratio — listen carefully — recorded the largest yearly decline since 1956-57, falling from 70.3 per cent to 66.9 per cent. More important, the debt repayment plan, and I urge my honourable friend Senator Oliver to read it carefully, together with sustained economic growth, will result in a sharp, sustained decline in the debt-to-GDP ratio in the coming years.

This country is on the right track under this particular government.

## THE BUDGET 1999

### THE BUDGET PLAN— ALLOCATION OF FUNDS TO INTEREST ON DEBT

**Hon. Lowell Murray:** Honourable senators, by way of a supplementary question, may I ask the Leader of the Government to read into the record the amounts that are forecast to be paid by the government by way of interest on the debt over the next several years? He will find them in the document entitled "The Budget Plan."

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I would be happy to do that. However, if the honourable senator has his finger on the page, perhaps he could do it for me.

**Senator Murray:** It is going up.

## PRIVY COUNCIL OFFICE

### PRIME MINISTER—REQUEST FOR DETAILS ON RECENT VACATION AT WHISTLER, BRITISH COLUMBIA

**Hon. Terry Stratton:** Honourable senators, my question is also for the Leader of the Government in the Senate. I would like to go back to Vancouver and Whistler, if I may, on that infamous weekend when our beloved Prime Minister failed to take the trip to the funeral of King Hussein.

What kind of aircraft was used for the trip to Whistler? Was it a government aircraft? Who was on that aircraft, to and from, and who paid for the expense of the aircraft?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I do not have the list of the passengers with me.

**Senator Di Nino:** Would you like to borrow mine?

**Senator Graham:** I believe that is the kind of question that should be placed on the Order Paper. However, I would be very happy to bring forward the information for the honourable senator, as he always brings forward such interesting questions.

## ORDERS OF THE DAY

### INSURANCE COMPANIES ACT

#### BILL TO AMEND—THIRD READING

On the Order:

Resuming debate on the motion of the Honourable Senator Kroft, seconded by the Honourable Senator Moore, for the third reading of Bill C-59, to amend the Insurance Companies Act.

**Hon. John Lynch-Staunton (Leader of the Opposition):** Honourable senators, when this bill on demutualization was being discussed before the Standing Senate Committee on Banking, Trade, and Commerce, some concern was expressed on both sides regarding the tax treatment which would be given to those eligible policyholders receiving cash or shares.

Cash, according to the federal government, will be treated as a dividend. If the shares are disposed of, a capital gains tax would be imposed, and the cost of the shares is being deemed to be zero. I will not get into the arguments of the pros or cons of that decision, but we were concerned about the possibility that many eligible policyholders would not be aware of the tax consequences, particularly those of low income and those who have income-tested benefits. The latter category may find that, because of the sale of the shares or the receipt of dividends, they may lose or have some of those income-tested benefits challenged.

The officials responsible assured us that, in the regulations, there was a provision that the information given to policyholders would include the tax consequences not only in this country but in each jurisdiction the policyholder happens to be in. However, the regulations also provide that the Superintendent of Financial Institutions can, at his own discretion, exempt a life insurance company from providing certain information, including tax consequences.

When what appeared to be a contradiction in the regulations was pointed out to the officials, we were assured that where there was a large number of policyholders, those exemptions would not be applied. Particularly in the United States, and the United Kingdom, all policyholders would be informed of the tax consequences by the life companies, and, I believe, in Canada by the Canadian government.

In the letter from the Superintendent of Financial Institutions that Senator Kroft tabled yesterday, some of the answers to the questions that were asked in the committee were given, but that assurance that the exemptions on information regarding tax consequences would not be applied to Canadian policyholders was not included.

With the knowledge of Senator Kirby and Senator Kroft, and members on the committee on our side, I got in touch with Mr. Palmer, the Superintendent. He replied in a letter which

I distributed to the members of the committee, certainly to Senator Kroft and Senator Kirby, which includes an assurance that, in effect, the information on the tax consequences for Canadian policyholders will be an obligation of the Canadian life companies.

**Senator Di Nino:** Well done!

**Senator Lynch-Staunton:** Perhaps I should read the pertinent part of the letter.

I can assure you that this exemption authority would be used only in respect of jurisdictions in which the converting company had only a minor presence, and in which this additional disclosure would add very little value to policyholders in that jurisdiction.

With the permission of the Senate, I should like to table this letter to complement the one that Senator Kroft tabled yesterday.

**The Hon. the Speaker:** Is leave granted, honourable senators, to table the letter?

**Hon. Senators:** Agreed.

**Senator Lynch-Staunton:** Honourable senators, as you know, this bill was sped through the House of Commons in record time, with no debate whatsoever in the House of Commons.

**Senator Kinsella:** How long did they spend on it?

**Senator Lynch-Staunton:** I did make a mistake in referring to that during the second reading debate. I said there were no committee hearings in the House. I was wrong. Looking back, I found that the Standing Committee on Finance of the House of Commons technically held a hearing. However, when you read the transcript, it was more of a love-in. There was very little debate on some of the key issues that were brought out by our Banking Committee at meetings with the minister responsible, with life insurance company executives, with officials of the Department of Finance and the Superintendent of Financial Institutions, and with some consumer groups. The House of Commons neglected to involve the key players in order to get a better understanding both of the purpose of the bill and its impact on policyholders.

I will read one part of the transcript of the House committee hearings to stress their flavour. This is of particular interest to this house because the person I am quoting is the other member of that dynamic duo, Lorne Nystrom, who is the member for Regina—Qu'Appelle and who is going across the country with his friend wasting taxpayers' dollars seeking petitions to abolish all of us. Here is what he said regarding hearings on Bill C-59:

I think it's important for us to ask questions and get them on the record. I wouldn't want the other place, as we call it, the Senate, to be the only body to have a chance to go over this thing in detail in terms of asking questions.

The purpose of their hearing was to show that they had at least pro forma gone through the exercise of examining the bill. He went on to say:

They're the unelected house. It's important, I think, for us to do this. It's too bad we have the time constraint. I know the minister himself is concerned about this thing because we have the adjournment of the House on Thursday staring us in the face.

It is quite obvious that the House of Commons, from the beginning, had no interest in examining this bill as thoroughly as it should have been. Fortunately the Senate was there to do that. The fact that Mr. Nystrom, who does not like us, would say words to the effect, "Well, we better do something here because the Senate may find they have to do all our work," confirms the importance of the work we do here.

**Hon. Senators:** Hear, hear!

**The Hon. the Speaker:** If no other honourable senator wishes to speak, I will proceed with the third reading motion. It was moved by the Honourable Senator Kroft, seconded by the Honourable Senator Moore, that this bill be read a third time. Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill read third time and passed.

•(1450)

## COMPETITION ACT

BILL TO AMEND—MOTION TO CONCUR WITH MESSAGE  
FROM COMMONS—REPORT OF COMMITTEE ADOPTED

On the Order:

Resuming debate on the motion of the Honourable Senator Tkachuk, seconded by the Honourable Senator Cohen, for the adoption of the Twenty-first Report of the Standing Senate Committee on Banking, Trade and Commerce (motion and message relating to the amendments to Bill C-20, to amend the Competition Act and to make consequential and related amendments to other Acts), presented in the Senate on February 16, 1999.

**Hon. John Lynch-Staunton (Leader of the Opposition):** Honourable senators will recall that after this bill was amended and returned to the House of Commons without a dissenting vote, the Minister of Industry issued a press release full of errors and innuendo. I will not go into all of the details because I feel I gave you enough to realize what I am talking about at the time that this message was first before us.

I do not intend to belabour this matter. However, I do feel that colleagues should know that, despite being asked repeatedly during the committee hearings on this message to withdraw, or at least recognize, the falsehoods that were sent under his name, the minister not only continued to whine about the delays encountered in the Senate but continued to cast doubt on the purpose behind them. I find this extraordinarily strange because if this bill is such a priority for the minister, why did it languish in the House for nearly 10 months?



The bill was given first reading there on November 20, 1997, second reading only four months later and third reading over six months later. We were criticized for having delayed the bill after having had it before us here for less than three months, and thanks to Senator Oliver's amendment, following representations by the Canadian Bar Association and others which actually improved it.

While the House rejected the Senate amendment, the government used the Senate's participation to introduce another amendment, quite different from its original one, and one which goes a long way in meeting the concerns expressed in committee and in this chamber.

I was not successful at getting a straight answer from the minister. However, I wish to thank Senator Kenny for having done that very thing. I will quote from the transcript of the committee hearings. Senator Kenny says:

Would you say, Mr. Minister, that the amendment that came back from the Senate gave you an opportunity to improve the bill?

**Mr. Manley:** Without any question.

**Hon. Senators:** Hear, hear!

**Senator Lynch-Staunton:** Honourable senators, I rest my case.

**The Hon. the Speaker:** If no other honourable senator wishes to speak, I will proceed with the motion.

Is it your pleasure, honourable senators, to adopt the motion?

**Hon. Senators:** Agreed.

Motion agreed to and report adopted.

## TRANSPORTATION SAFETY AND SECURITY

### CONSIDERATION OF INTERIM REPORT OF SPECIAL COMMITTEE—DEBATE ADJOURNED

The Senate proceeded to consideration of the first report (Interim) of the Special Senate Committee on Transportation Safety and Security, deposited with the Clerk of the Senate on January 28, 1999.—(*Honourable Senator Forrestall*).

**Hon. J. Michael Forrestall:** Honourable senators, it is a great honour for me to rise today to begin the debate on the interim report of the Special Senate Committee on Transportation Safety and Security. I have been privileged to chair this special committee and, as well, I had the privilege of chairing the subcommittee of the full committee on transport and communications, its subcommittee on this topic.

None of us here are immune from attacks by the press and from some members of the House of Commons. The attacks are,

by and large, from people who do not understand the Senate, what it does and how it works. To that end, I should like to commend the intervention by Senator Rompkey yesterday, during which he outlined very succinctly and clearly the good work being done by the members of this chamber.

One of the great benefits of an appointed upper chamber like ours is that on certain issues we can put party politics behind us and pursue matters of national interest in a bipartisan manner. I know, and I know that my colleagues do not take it for granted, that members of the opposition do chair standing committees. In my case, and as I mentioned, I chaired a subcommittee, the standing committee of which was ably chaired by Senator Bacon, who was a very active member of the Subcommittee on Transportation Safety with a particular interest in drugs and other abusive substances. It is one of the great strengths of this place — and I say this with a little bit of knowledge and authority, having sat for a considerable time now in both places — that the interests of members can be accommodated in a non-partisan manner.

The idea of a Senate committee on transportation safety originated a few years ago with Senator Keith Davey, one of our former colleagues, a very distinguished Canadian. At the time, his preoccupation was with the safety of truck transport, and he wished to see a special study undertaken in this area. His idea was prescient, since we are now fully aware of the dangers of having far too many unsafe trucks on our highways. Unfortunately, Senator Davey resigned from this place before his idea of a truck transportation safety committee could come to fruition.

I was struck by the validity of Senator Davey's idea when it was first raised in the early part of this decade, and pursued it with Senator Bacon. She was receptive to the idea but was concerned that such a study would be too narrowly focused, and perhaps focused in an area which was predominantly within provincial jurisdiction. The solution was, therefore, to study all modes of transportation, and the vehicle for doing this would be a subcommittee of the Standing Senate Committee on Transport and Communications. Such a subcommittee was struck in October of 1996. It was composed of Senator Willie Adams, deputy chair, Senator Lise Bacon, Senator Mercier, Senator Roberge and myself as chair.

I can say without any shadow of a doubt that we worked hard, but it was only after we got into the study that we realized the enormity of the task we had undertaken. Not only was it an enormous job to study safety in the various transportation modes of rail, air, marine and highway transport, but of course we were all amateurs in these areas. However, we persevered, and slowly but surely built up a bank of information on the major safety issues affecting the modes of transport within Canada. During our travels, both throughout Canada and abroad, attending seminars, workshops, international conferences on safety, hearing from literally hundreds of people involved in the transportation industry around the world, we were able to identify issues and, in some cases, solutions to address problems in the transportation industry facing us here in Canada today.

I look upon the work of the subcommittee as one of fact-finding and issue development. In the early spring of last year we realized that, given the enormity of the subject-matter to be studied and reported on, and the heavy workload of the Standing Senate Committee on Transport and Communications, it would be a better use of the time of the Senate if a special Senate committee on transportation safety and security were established. This was accomplished on June 18, 1998, and all of the work that had previously been done by the subcommittee was referred to the new special committee. We began our work with a view to writing the report that is now before the Senate for deliberation.

•(1500)

I wish to provide you with an overview of the work of the subcommittee and the special committee, their conclusions and recommendations. I trust colleagues on both sides of the chamber will deal in greater detail with the specific modes of transportation covered within the report.

Our overall purpose in this exercise is to create in Canada, among all Canadians, a culture of safety. We believe that by raising the profile of transportation safety through our discussions with industry, unions, consumers and transportation associations, we can raise the profile of safe transport in Canada.

Honourable senators, the idea of a culture of safety came about because I am and continue to be worried about the state of transportation safety in Canada. When you look at rail, marine, air and highway transport, has any industry changed as much in Canada as transportation? Has the work force been downsized in any other area of our lives more than in transportation?

We have gone through deregulation, privatization, transfer of ownership of transportation facilities to the private sector, and ever increasing competition. That is just to name a few of the changes that we have asked this industry to undertake. At the same time, more people are travelling and more goods are being shipped in and out of Canada by more modes than ever before.

Honourable senators, given these and other stresses posed on all facets of the transportation industry, I believe, and I know that most of our witnesses would agree, that we must make every possible effort to ensure greater safety.

One of the major recommendations of the committee, and the one that got the most publicity, dealt with random mandatory drug testing to be adopted in Canada in a manner similar to the testing program in the United States. Senator Bacon pursued this issue with great vigour with virtually all of the witnesses who appeared before us.

We heard from Ms Barbara Butler, for example, a well-known Canadian and international expert in this field. She assured us that drug and alcohol abuse was an issue in the transportation industry in Canada. We were pleased that a number of transportation companies have instituted some type of testing

program. In the case of the Irving Transportation Group, they have instituted random mandatory testing for all employees.

The witness from Irving set out the matter of concern relating to drug and alcohol testing. The law in the United States which requires all those in safety sensitive positions to submit to random mandatory testing may be challenged as not being applicable to Canadians driving trains or transport trucks in the United States. If the courts found that it was not to be applied to Canadians, it might mean that Canadian transportation companies may be effectively prohibited from doing business in the United States, a situation which would be intolerable.

One of the most compelling arguments in favour of random mandatory drug testing came from Maurice Engles, the former chair of the Railway Safety Act Review Committee. He told us:

Automobile drivers in practically every province in this country are now being tested on a random basis. If indeed it is considered to be of concern that one of these drivers should be on the road, how can we say that a locomotive engineer should not be subject to such testing, when you consider the responsibilities that person would have?

We hope the government will reconsider its position on random but mandatory testing and institute it at the earliest possible time.

During our hearings both in Canada and abroad we came to have even more respect for our Transportation Safety Board than we had when we began this process. However, we are concerned that this vital part of our transportation safety system is overworked, understaffed and under-resourced. It is our opinion that the government should build upon the good work that the board has done and expand its mandate in order to give it the resources it needs to continue to perform its work at the high level of competence we now experience.

We were told by Mr. Ken Johnson, the executive director of the board, that they are reassessing their needs after the work they have done in relation to the Swissair tragedy. In this reassessment, I hope the board, along with government, will look at expanding its mandate to include major truck-transport highway accidents as well as making the board responsible for the establishment and operation of victims' family assistance programs.

Canadians have every right to be proud of the work of the board and the international stature it enjoys.

I should like to touch briefly on safety issues affecting rail and marine transport before I deal in more depth with the air and highway sectors.

Two recent reports from the Transportation Safety Board highlight safety problems in the rail industry. The board's investigation in the Biggar, Saskatchewan VIA Rail derailment and the Edson, Alberta accident revealed deficiencies in safety procedures, the application of safety procedures and general attitudes toward safety.



Evidence before our committee concentrated on the management and union problems in the rail industry which some of us believe are severe enough to be detrimental to safety. Bill C-58, currently before the Senate, seeks to amend the Railway Safety Act. We must look at further amendments to this act as our study continues.

With regard to marine transportation, the main safety problem comes from recreational boating. Over 200 people die each year in these types of boating accidents. I congratulate the government for bringing in regulations that will impose minimum age limits on the operation of certain types of boats. The committee will continue to monitor the effect of these measures as we continue our work.

We are also concerned about the ageing work force in our marine industry. Many reputable witnesses appearing before us at our hearings in Halifax expressed grave concerns that young Canadian men and women are not being attracted in the numbers they should be to a life and career at sea. The reasons for this include a lack of tax inducements, opportunity, and access to educational institutions concentrating on marine life.

Turning to highway transportation safety, there are three fundamental points that must be made. First, massive amounts of money must be directed by all levels of government into a coherent program of highway building, repair and maintenance. The CAA suggested to us and we made it a recommendation that a portion of the excise tax on gasoline be directed toward highway projects. In our final report on this matter, we will set forth a formula that we believe is equitable and fair.

Second, we must do something about truck-transport safety. There are too many trucks carrying larger and longer loads, paying more attention to the corporate bottom line than to safety. The Province of Ontario began to address this problem with stiff fines for unsafe vehicles and roadside spot checks. We commend them for their efforts. This is an area where the federal and provincial ministers of transport must take the lead and crack down on unsafe trucks.

Third, Canada needs an enforceable national safety code. Agreement was almost reached a few years ago on such a code. We need to try again. Such a code would regulate the size of trucks across the country and set out minimum standards of safety that could be enforced.

These three initiatives are overdue. If they are accomplished, literally hundreds of lives will be saved annually.

Finally, I wish to touch on the subject of air safety. This area is a priority for the special committee. We have begun our hearings in this area and hope to report with respect to this issue before our summer break. We will then hold intensive hearings on the various other modes, issuing reports with a view to winding up our work by early next year.

Our study of air safety and security will give us the opportunity to reflect on Canada's role in air safety throughout the world as well as at home. In other words, air travel in Canada for Canadians is pretty safe, but it is not enough that it be safe

within Canada. Canadians should be able to travel the globe and feel safe knowing that they are flying through systems that meet Canadian standards.

•(1510)

We discussed this international aspect of air safety with various witnesses when we held hearings in the United States and Europe. The Second World Conference on International Safety, held at the Technical University in Delft, Netherlands, concentrated on the global aspects of air safety.

We are fortunate in Canada in relation to air safety, and we should explore the export of our knowledge and expertise to the developing countries of the world.

The special committee will spend much of its time in the coming year studying the future of transportation safety. We view it as our role to recommend procedures that will point towards safer travel in the first 10 to 15 years of the next century.

In conclusion, I want to invite senators opposite who are interested in transportation safety and security to join in our work. Because of conflicts and time restraints, we had difficulty filling a number of spots on the special committee. As I said earlier, we can promise you lots of interesting, sometimes fascinating, work, most of it indoors and out of the cold. I remind you that we do not scrub floors, windows, or ceilings! If you have free time and you note that the committee is meeting, please join us.

Honourable senators, I look forward to returning with other segments of our final report at a future date.

On motion of Senator Forrestall, on behalf of Senator Spivak, debate adjourned.

## THE ESTIMATES, 1998-99

### RETENTION AND COMPENSATION ISSUES IN THE PUBLIC SERVICE—REPORT OF NATIONAL FINANCE COMMITTEE TABLED

Leave having been given to revert to Presentation of Reports from Standing or Special Committees:

**Hon. Terry Stratton:** Honourable senators, I have the honour to table the ninth report of the Standing Senate Committee on National Finance concerning retention and compensation issues in the public service.

## EXCISE TAX ACT

### BILL TO AMEND—CONSIDERATION OF REPORT OF COMMITTEE—DEBATE ADJOURNED

The Senate proceeded to consideration of the fifteenth report of the Standing Senate Committee on Social Affairs, Science and Technology (Bill S-10, to amend the Excise Tax Act, with an amendment) presented in the Senate on December 9, 1998.—(*Honourable Senator Murray, P.C.*)



**Hon. Lowell Murray:** Honourable senators, with this report, the Standing Senate Committee on Social Affairs, Science and Technology returns Bill S-10 with one amendment. Bill S-10, which had been sponsored by Senator Di Nino and received second reading in this place before Christmas, is a bill to remove the GST on reading materials. Bill S-10 amends the Excise Tax Act.

For at least two reasons, it is the happiest of coincidences that this report should be before you today. First, we are only a couple of days removed from the budget presented by the Minister of Finance, Mr. Martin. From that budget, it is clear that the nation's finances are in pretty good shape. Indeed, the finances are well able to support the relatively modest costs that would be imposed on the Treasury by Senator Di Nino's bill. To remove the GST from reading materials is not a big-ticket item in terms of the federal fiscal scene, but as honourable senators know very well, it is a significant matter for many Canadians.

That brings me to the second reason that having this report before you today is such a happy coincidence. Today, as we were reminded earlier, is Literacy Action Day in this country. We heard eloquent speeches from our friend Senator Fairbairn, from Senator DeWare and from Senator Cochrane on just that subject.

Let me single out Senator Fairbairn for special attention. Senator Fairbairn led the charge in 1990 when the GST was going through this chamber to remove the GST on reading materials.

**Senator Oliver:** I remember!

**Hon. Senators:** Hear, hear!

**Senator Murray:** Senator Fairbairn has been the leading champion in this chamber in Parliament and in the government, and certainly one of the leading champions in the country, of literacy and of a coordinated attack on the illiteracy problem. She knows more about it than anyone. She appreciates more than anyone does the importance of a measure such as that proposed by Senator Di Nino to remove the GST from reading materials.

Before Senator Fairbairn gets up to remind me of the fact that I voted against her amendment when it was going through this house, I will acknowledge that right away. I was bringing the GST through the house and it was the position of the government of the day that there ought not to be exemptions or exceptions and that there were other ways to pursue such policies as the attack on illiteracy.

We are now, however, faced with a different principle. My honourable friend was able to persuade the Liberal Party and, in particular, Mr. Chrétien to adopt that policy. What we are dealing with today is a solemn commitment made by the Right Honourable the Prime Minister in the course of an election campaign to remove the GST from reading materials. That commitment on behalf of the Liberal Party, which now forms the government, was made without evasion, without equivocation, without reservation whatsoever.

And so honourable senators on both sides of this house have an opportunity, and, I think, a responsibility in the case of our

friends opposite, to redeem that solemn commitment made by none other than the Right Honourable the Prime Minister.

**Senator Kinsella:** Stick to your principles!

**Senator Murray:** Honourable senators, at the Standing Senate Committee on Social Affairs, Science and Technology, there was a very commendable bipartisanship as among Liberal and Conservative senators. I want to acknowledge that today.

**Senator Roche:** And independents, too!

**Senator Murray:** An independent senator also took part in our deliberations, and I am happy to be reminded of that fact by Senator Roche.

We passed one of the amendments that was before us, the effect of which is to maintain the GST on any material that contains an age restriction imposed by law on its sale, purchase or viewing or is either obscene within the meaning of section 163 of the Criminal Code or of a pornographic nature.

Those amendments were passed by the committee and are before you today in this report. As I say, there was a most commendable bipartisanship in the committee on this important bill of Senator Di Nino's. I urge all colleagues to carry that spirit of bipartisanship over into this debate, to adopt this report, to send this bill for third reading, passage and transmittal to the House of Commons with all possible speed.

•(1520)

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Would the honourable senator accept a question?

**Senator Murray:** Certainly.

**Senator Carstairs:** Honourable senators, three amendments were sent to the committee. I understand that only one has been returned. Could my friend give us a brief explanation as to why the other two amendments were rejected?

**Senator Murray:** I am not in a position to do that from memory, honourable senators, but I happen to know that our friend Senator Di Nino, who is the sponsor of the bill, intends to take part in the debate on the report. Perhaps he or one of our other colleagues would care to deal with those other amendments. I do not even have them in front of me at the moment. I only have the report and the amendment that we are recommending to the Senate.

**Hon. Consiglio Di Nino:** Honourable senators, if I may, I should like to address the question of the Deputy Leader of the Government.

The amendment was actually in three parts, not three amendments, if I remember correctly. The first part dealt with the age restriction, as Senator Murray has just mentioned. The second part dealt with the issue of pornography. The third part, which the committee did not accept, stated that any publication, magazine or newspaper that contained 5 per cent or more advertising should also not be included in the bill and, in effect, should continue to carry the GST.

A number of senators on both sides spoke eloquently on all of the amendments. As Senator Murray said, it was a wonderful, bipartisan effort. However, what carried the day for removing the third part of their amendment was the fact that hundreds, if not thousands, of publications across this country — small publications, magazines and newspapers, including third-language newspapers — would have been hurt by accepting this amendment. Hence, the committee saw fit to take that particular part of the suggested amendment by Senator Maheu and Senator Ferretti Barth. I trust that is the answer the honourable senator was looking for.

Honourable senators, I should like to add a few words to the eloquent presentation made by Senator Murray. He has given us some good background to consider and a lot of food for thought before we proceed to third reading of this bill. As well, it is quite opportune that today, Literacy Action Day, we are dealing with this bill in the Senate.

As I began to say yesterday, this has been a long journey. It started in 1990 with Senator Fairbairn and a number of other colleagues opposite who saw the wisdom of the need to remove the GST from reading material. As Senator Murray said, one can point to us and say, "You did not accept our amendment at that time," but I will not go into the political reasons for that. However, we must remind ourselves that the Conservative government in power at that time did state that this would be one of the first issues they would deal with at the earliest possible opportunity. Commitments were made to take a look at removing the GST from reading material.

It is unfortunate that the Finance Minister in his budget did not take the opportunity to do something about tax on reading material. He obviously chose not to keep this government's promise to Canadians, a promise made by the Prime Minister and others. Removing the GST would have cost very little money in relative terms. More important, it would have sent a message to Canadians that we take the issue of literacy seriously in this country.

That aside, honourable senators, this has been a learning experience. I should like to thank my colleagues on both sides for their support and, frankly, for some of the very wise debate that took place both in the chamber and in committee on the issue of GST on reading material.

The committee heard testimony from a wide range of individuals. All of them agree with the principles of this bill, even my colleagues opposite. Not a single witness had anything negative to say about this bill. The finance people expressed some reservation, principally dealing with costs, which obviously should no longer be the concern it was at that time.

Each witness had something interesting to tell us. Roch Carrier, the renowned Canadian author and former director of the Canada Arts Council, reminded us about the importance of making reading material as accessible as possible so we can start our children reading at an early age. He said:

Kids should enjoy the privilege of reading.

Later he said:

It is the best start to a good life.

Gailmarie Anderson, who owns the Melfort Bookshop in the small farming community of Melfort, Saskatchewan, spoke about the impact of the GST on her business. She said:

Every day...I see parents who buy one book rather than two books for their children because of the added expense. In a small book store, the GST makes it more of a struggle to survive and makes it more difficult for Canadians, as individual consumers, to have books.

Incidentally, Ms Anderson wrote me following her appearance. In her letter, she referred to a single mother in Melfort who, because of her financial situation, is forced to purchase books for her children on a lay-away plan. This is 1999 we are talking about.

**Senator Oliver:** Shameful!

**Senator Di Nino:** Another of our wonderful witnesses was Sonja Smits, one of Canada's best actors and a director of the organization Performers for Literacy. She gave the committee some sobering statistics. She reminded us that "42 per cent of Canadians are below minimum literacy standards" and that "an additional 34 per cent can only use simple reading materials." She went on to say:

People with low literacy are three times more likely to be unemployed.

Once again, honourable senators, I remind you that we are talking about 1999.

Just as an aside, a while back I received, as did we all, a letter from Canada Post concerning the corporation's Freedom of Literacy Awards. That letter noted that:

Poor literacy skills cost the Canadian economy approximately \$4 billion in lost productivity each year.

Another one of our witnesses, Jocelyn Charron, Government Affairs Coordinator of the Canadian Federation of Students, spoke about the impact of the GST on today's college students. He noted that:

[Translation]

Post-secondary students have been seriously affected by the introduction of the GST.

Further on, he adds:

The GST affects what students can buy.

I quote again:

Students will have to do without one or more of the texts required because of the GST.



[English]

Honourable senators, perhaps the best and most eloquent testimony was heard from Peter Gzowski, who obviously needs no introduction. Mr. Gzowski mentioned two things that I believe bear repeating. The first was that "literary is, or ought to be, a civil right" in our country.

•(1530)

Mr. Gzowski also mentioned that removing the GST on reading material would have the symbolic value of recognizing the importance of reading and writing in our lives, and the practical effect of making the tools of training and re-education more accessible to the people who need them.

Other points emphasized during committee hearings were that literacy makes economic sense, taxation discourages consumption, education is not the only answer to literacy, and helping our children to learn to read is one of the most important things we, as parents, can do.

My conclusion from the different testimony heard before the committee is that this is not only a question of money, it is also a question of values. It is a question of what kind of a society we want and should have in Canada. We are entering an era in which the ability to read is becoming more crucial than it ever was. Those who cannot read, or those who read poorly, will be left behind. They will become part of the have-nots.

The government, through the Department of Finance, has argued that we should not fiddle with the GST; it is there, and we should live with it. The department has asked where the replacement revenue will come from, and stated that the programs already in place are a better solution to the issue of literacy than removing the GST. We know where the replacement money can come from, and we certainly know that there are better solutions. The best one is to remove the GST on reading material.

Argument and debate aside, it all boils down to one main thing: promises. I refer to promises made by members of this chamber on both sides; promises made by members of the present government, both before and after 1993; promises made by the Liberal Party membership; and promises made by members of the Conservative Party. Honourable senators, we all promised Canadians that we would get rid of this tax. We have an obligation to keep that promise.

Another thing about which witnesses reminded us is that getting rid of the GST on reading material is the right thing to do. I wish to take a moment to bring to your attention two points. The first is a comment made by a Liberal member of the other place, Mr. Peter Adams, who said:

Books, newspapers and magazines are instruments of freedom.

The second point is that a number of Canadians from coast to coast were visiting members of Parliament yesterday and today

as part of Literacy Action Day. I was extremely touched this morning by the words of a middle-aged gentleman who, like myself, immigrated to this country when he was a young teenager. He came from South America. He told me that a couple of weeks ago, his 6-year-old daughter returned home from grade one with a book. Her teacher had told the students that if their parents read from this book, the students would receive some form of recognition. I believe it was to be by way of stars, or something of that nature. Tears came into the gentleman's eyes and he said, "I have never felt so ashamed in my life. I could not read my 6-year-old daughter's book." He is now enrolled full-time in a school supported by the literacy movement.

Honourable senators, I close by urging each and every one of you to send a message to the other place but, most important, to send a message to Canadians that we care about literacy and about the promises we have made. At the appropriate time, I hope you will support the passage of Bill S-10.

On motion of Senator Carstairs, debate adjourned.

## BUSINESS OF THE SENATE

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, there is an agreement that at 3:30 we will move into Committee of the Whole.

**The Hon. the Speaker:** Is it agreed, honourable senators, that we now move to Committee of the Whole?

**Hon. Senators:** Agreed.

[Translation]

## PRIVACY COMMISSIONER

### ANNUAL REPORT— CONSIDERATION IN COMMITTEE OF THE WHOLE

The Senate in Committee of the Whole on the Report of the Privacy Commissioner for the period ended March 31, 1998, tabled in the Senate on September 29, 1998.

The Senate was accordingly adjourned during pleasure and put into Committee of the Whole, the Honourable Fernand Robichaud in the Chair.

[English]

**Senator Carstairs:** Honourable senators, I move, seconded by the Honourable Senator Kinsella, that Mr. Bruce Phillips, Privacy Commissioner, be escorted to a seat in the chamber.

**Senator Kinsella:** Honourable senators, while Mr. Phillips is being escorted to the witness table, I believe there is agreement that honourable senators who are sitting in seats at an extreme distance from the witness table may take vacant seats that are closer to the witness, and that the rules be waived in regard to where one must be seated whilst asking a question in Committee of the Whole.



[Translation]

**The Chairman:** Is there unanimous consent for the suggestion made by Senator Carstairs that senators be allowed to speak from a seat other than their own during these deliberations?

**Hon. Senators:** Agreed.

Pursuant to order adopted October 29, 1998, Mr. Bruce Phillips was escorted to a seat in the Senate chamber.

**The Chairman:** I welcome Mr. Phillips, Privacy Commissioner, and Mr. Julien Delisle, who is with him.

[English]

•(1540)

**Mr. Bruce Phillips, Privacy Commissioner of Canada:** My address will be as brief as I can possibly make it. I must start by saying that this is quite a thrill. It is an extraordinary occasion for us. This is the first time I have been called to appear before a Committee of the Whole of either house.

In my early days as a press gallery reporter here, about 40 years ago, appearances of witnesses before committees of the whole house were quite commonplace. It is now somewhat out of fashion, which is too bad. Whatever the intention, the result has been reduced public visibility of the legislative process and of the workings of government. When all or most of the departments and agencies were before committees of the whole, for better or for worse, it was always under the eye of the fourth estate. Even if it was only one lonely wire service reporter — although there were usually quite a few of us — since we had to sit there, we daily wrote thousands of words and scores of stories about it. Now that it is spread across many committees, I think much of the work goes unseen and unreported. Quite frankly, I think this contributes to the disconnection between Parliament and the public.

**Senator Prud'homme:** Bring him into the Senate!

**Mr. Phillips:** I will confess to having fantasized about that possibility once or twice. But for a stroke of fate or two, who knows, I might have made it here on my own!

If today's session represents the beginning of a revival of the process of Committee of the Whole, forgive me for attaching some special distinction to my appearance. I hope this does become true — at least for that small band of people who are known as officers of Parliament. That is, the half dozen or so of us whose appointment alone in the entire federal establishment requires a vote of approval by both Houses of Parliament and who answer to no ministry whatsoever but only to Parliament and who make our reports directly to the Speakers of both Houses.

Parliament has decided that some issues, values and interests are of such basic importance in Canadian life that they need a champion who stands at arm's length from the government and

from the political debates of the day. Thus we have, among others, the Auditor General, the Chief Electoral Officer, the Commissioner of Official Languages, the Information Commissioner and, in my case, the Privacy Commissioner. All of us, in our special areas, share a common charge of working to preserve fairness, decency and honesty in public administration in particular and, to the extent possible, in Canadian life generally.

No one could ask for more in this life — and, believe me when I say this — than the opportunity to represent values of that kind. Please allow me, while I am on this subject, to record my thanks to the Senate for signifying its confidence in my fitness to continue in this office by having approved an extension of my term a while ago. In the time remaining to me, I hope to promote closer ties and greater interest by Parliament in the work of my office and similar offices. Also, I want to express some particular personal pleasure in my appearance here today. Many of you on both sides of this house are personal friends and acquaintances and former colleagues of mine. It is good to see you again.

Having said all that, I wish to express my gratitude at having the great good fortune, for the past eight years, to serve Parliament in an office that has been incredibly fulfilling, challenging and exciting. As most of you know, my term expires in about 15 months. This, therefore, might be my one and only shot at a meeting of this kind. On that account, I should like to take a minute or two to talk about the concept of privacy in the broad sense.

You often hear the phrase these days that “privacy is the issue of the nineties.” I think there is some truth in that statement. In any given week, you only have to look at the daily papers or turn on the television to see how frequently the subject of privacy is raised as an issue of contemporary importance. I think it must also have been an issue of the 1890s, the 1790s and the 1690s — in fact, just about as far back as you can go into the mists of human history. “Privacy” is merely a convenient but altogether inadequate word that we use to encompass a set of values and considerations which touch almost every aspect of our lives, which have evolved over centuries of human experience and which, in every age, have set the terms and conditions of social interaction both between and among individuals and individuals and institutions.

Mr. Justice La Forest, who recently retired from the Supreme Court, described “privacy” as the value “that is at the heart of liberty in the modern state.” That is a wise observation indeed. If you would assess the degree of freedom that exists in any particular society, look first to the degree of private life that its citizens can command and you find a striking correlation. I have only to mention some of the oppressive totalitarian regimes, many of which are still around and we have seen just in this century.

“Privacy,” in short, is just another word for “freedom.” Without it, we do not have any personal autonomy, no liberty and darn little dignity. The degree to which we honour and defend the right to a private life is precisely the way we measure the respect that we give to each other as individual and distinct human

beings. It follows that if we chip away at this edifice, we do it at our peril. Enough chipping away and it all falls down. It is the chipping process that I should like to talk about today.

Freedom does not always or even very often disappear in some cataclysmic eruption. It slips away quietly, bit by bit — usually the victim of many plausible and seductive propositions which society accepts out of either indifference or ignorance. In my view, it is this process which stands, in our time, as the greatest danger to the priceless right to a private life that we now enjoy.

There are privacy problems cropping up in all kinds of places these days. In surveillance technology we are now under the eye of someone's camera almost every waking hour, and in biological sciences such as drug testing, DNA testing, and so on we are also experiencing privacy problems. We could profitably discuss all of these things one at a time and at length. In fact, before some of your committees we have discussed some of these matters already.

My remarks today should be considered mainly in the context of the problem that arises from the application of computer and communications technology to the massive amounts of personal information that is being gathered in by both the corporate and governmental worlds. The problem here is to ensure that the management of all this information complies with fair practices of the kind that are embodied in the federal Privacy Act. This is not rocket science. It is simply to ensure that people know the information about them is being collected, and why; that it will not be used for purposes other than the reason it was collected, without their consent; that it will be kept secure; and that people have a right of access to it and to correct it. That is the whole story about privacy in the information world. Often it is honoured not in the observance but in the breach.

Based on my experience as a commissioner working with government departments, I do not think there are a great many people who deliberately or maliciously strive to erode people's privacy rights. It is more of an insidious process and it often happens quite unknowingly.

Earlier, I mentioned indifference and ignorance, and I used those terms advisedly. More than once it has been my experience that administrators have embarked upon actions which, in the upshot, they have been surprised to be told have offended good privacy practice. I can certainly supply examples. Most of this activity is certainly benign in its objective but carries with it a cost which, upon more careful examination, sometimes proves to be unacceptable. Usually, if my office finds out about it, I can fix it, but not always.

This aspect of the privacy problem has been exacerbated by the onrush of technology and its impact on the collection, use and disclosure of personal information. Every enterprise, public and private, depends upon personal information as one of its vital raw resources. This information, collected from all of us, is usually given up freely because we recognize the beneficial uses to which it will be put, but we do so on the assumption that it will not be used for unrelated purposes or disclosed to other persons without our consent.

If you go to a doctor, you reveal your symptoms. If you go to the bank for a loan, you must disclose your financial situation. If you go to an employer, you must cite your qualifications. The world would crash to a halt without such routine exchanges, but there is an element of trust involved in all of these transactions, and modern technology, unless properly hedged about with effective and legally enforceable restraints, can and sometimes does make a shambles of any notion of trust.

What, then, is the state of the law, which I think is of particular interest and relevance here? In a phrase, it is creaky and it is leaky. The federal Privacy Act, for a start, is badly in need of an update. Too much is excluded from its purview. The federal government, for example, engages in massive informational exchanges with other governments and private-sector entities. An essential precondition of all of those exchanges should be a requirement of compliance with the established privacy norms, but most of those exchanges occur unseen, without scrutiny, and certainly without the knowledge of the people who, in most cases, were the originators of the information.

There are other offensive exemptions as well. Federal investigative bodies, for example, are allowed to deny people access to their personal information, for any information that is gathered in "the enforcement of any law of Canada or a province." No such all-embracing exemption should ever be allowed unless an injury to enforcement can be demonstrated.

The very definition of personal information needs updating to take account of scientific advance, as, for example, with blood and tissue samples. Neither does the act provide an adequate system controlling what I think is the most dangerous potential misuse of government information holdings, which is in the areas of data matching, data linkages and data mining. These problems must be addressed if our national government is to stay abreast of technological change and fulfil its commitment to protect the privacy of Canadians.

In the private sector, at the moment, it is just a question of *sauve qui peut*. With the single exception of Quebec, where the commercial world is covered, it is an informational jungle out there, and survival of the fittest applies. Generally speaking, we have no right to know what information business holds about us, how they got it, how they use it, whether it is accurate, and how they will keep it. Some corporations increasingly regard client data as a resource which they can own and mine, use or dispose of as they wish. The more widely information is shared, the more likely it will be used to decide what services you will be offered, what benefits you may receive, even what jobs you might qualify for, all without your permission or consent or knowledge.

Equally dangerous is that these decisions may be based on faulty information, and we do not even have the legal right to correct that. One graphic example of that particular problem was revealed in a U.S. congressional study a few years ago which said that credit reports, for example — and we are all in someone's credit report somewhere — contain an average error rate of about 20 per cent. Errors of that kind can have real-life consequences in terms of the denial of credit, and denial, possibly, of employment opportunities and so forth.



I am very glad to report that, assuming the House of Commons passes it, you will soon have a bill before you which will go a considerable distance toward providing a remedy to the absence of legal privacy rights in the commercial sector. That bill, Bill C-54, will provide for the extension of federal privacy law, in the first instance, to the federally-regulated privacy sector, that is banks, communications, telecommunications, transportation, and so on — all massive holders and gatherers of information. The bill will also extend the law to the balance of the business world in the provinces, if they do not, in their own legislatures, provide equivalent protection within a three-year period.

This bill also provides an oversight mechanism involving my office. The bill is not perfect — few are — but I presume it will be improved in the legislative process. It is a long step forward and I support it. I presume I will be given the opportunity to come before members of this chamber when you are considering that bill.

It is a regrettable fact that a specific right of privacy was excluded from the Charter of Rights and Freedoms. That right is enshrined in the Universal Declaration on Human Rights, the European Covenant on Human Rights, and similar documents and covenants, and I believe it is even in the Quebec Charter of Rights. It was included in the original drafts of the Canadian Charter when they were first circulated to the provinces for discussion, and unhappily it got lost in all the horse-trading that went on from the Charter's conception on its journey through Parliament. The Supreme Court is slowly buttressing privacy through jurisprudence, but they have a long way to go.

At a minimum, inclusion of a specific privacy right would have meant much more rigorous examination of draft legislation for privacy implications, and it would have given my act, the federal Privacy Act, a more solid underpinning. As it is, the act enjoys no certain paramountcy, and its heart, the Code of Fair Information Practices, which I rattled off to you earlier, is subject to any other act of Parliament and can be easily circumvented by other departments.

Frankly, I think that anything as basic as privacy rights deserves a little better than that. We need Parliament to be especially vigilant on this issue, and I implore you to be especially tough and critical when you are asked to judge the merits of propositions in which the fate of privacy is put in the balance.

You have often heard from departmental officials, and you will hear it often in the future, that their objective is "to strike the right balance" between their wonderful program and that irritating obstacle known as privacy. This is a very depressing litany to me — I hear it almost every day — when I know that what they really mean, at least in the way that it translates to me, is, "Let us just get rid of privacy so we can get on with the business." Many more so-called balancing acts like that and there will be nothing left to balance; it will all have been chipped away.

The question that must be asked when it comes to data linkages and data mining and usage of that nature by government

departments is the following: Can you make this program without the further abridgement of civil and human rights? If the answer is no, they should be sent back to the drawing board. I believe that, in the great majority of cases, the answer can be yes, if sufficient ingenuity and plain hard work are put into it, but in drafting programs, one of our troubles is that bureaucrats, and businesses too, reach too quickly for the cheap and easy solution, which is just to throw in some technology that will mix up the data and give them an answer. Any proposition that involves the trade-off of privacy rights for administrative convenience or efficiency should, in my view, face the very toughest of uphill battles before the legislatures of the land.

On the subject of parliamentary vigilance, there is one issue in particular that I wish to raise, and I will then conclude. No doubt you have heard about the proposal to create a medical information highway. This has been recommended by a special advisory council appointed by the government, and the Minister of Health has indicated his intention to proceed. What is involved here is a national health data network which will link existing and planned provincial and local networks. Putting health care information into electronic systems and then linking those systems has serious privacy implications. We all want a more efficient and effective health system but, given the fact that the raw material is the highly sensitive, personal information, medical information, of millions of Canadians, great care must be taken to ensure that no abuse is possible. What is at stake here is all that people have come to expect from the doctor-patient relationship.

•(1600)

The advisory council has laid great stress in its reports on the privacy dimensions that are involved, but it remains to be seen how well good intentions are translated into good deeds. I urge you, I plead with you, on that account to give this, when you get the opportunity, the most careful study. Of course, I will be anxious to contribute the help of my office.

Honourable senators, that is a very quick skim over a small part of the privacy landscape, but it is enough, I hope, to demonstrate that there is much here for legislators to ponder. When you do so, you will be animated by a resolve to ensure that efficient government is not achieved by the abridgement of precious and hard-won rights. People have a right to control their own lives, and that means the right to control their information. They are only seeking after what Mr. Justice La Forest called the heart of freedom.

We are now ready to field your questions.

**The Chairman:** Mr. Phillips, I remind you that you have access to translation services through your ear piece.

**Senator Milne:** Mr. Phillips, under your mandate, for how long after a person has died is information about the individual held by a government department or agency protected? Does a person's right to privacy change at some time after he or she has died?



**Mr. Phillips:** Senator, the retention schedules for keeping information are established by the public Archives of Canada. They vary a great deal depending upon the kind of information involved. A few time limits are set in the Privacy Act for certain kinds of law enforcement information, for example. There are some kinds of information that the government is allowed to exempt from disclosure for periods of 20 years.

I cannot give you a simple answer. In some cases, the retention periods are one or two years, and in other cases it is longer.

In the case of the census, to which I think you may be referring, there is an absolute prohibition on census data gathered beyond a certain date — I think it is 1901 or 1911 — that will keep it from disclosure in perpetuity.

**Senator Milne:** Even though the federal Privacy Act states in section 3 that information about an individual who has been dead for more than 20 years is not considered personal information for sections 7, 8, 19 and 26 of the Access to Information Act, you are still saying that the census information will be privileged forever?

In respect of the census information, in a letter dated January 11 of this year from yourself to the Chief Statistician of Canada, you referred to certain proposals to amend the Statistics Act to allow for the transfer of identifiable census returns to the National Archives for archival and historical purposes. Your opinion on this proposal was as follows:

It will come as no surprise to you that this Privacy Commissioner has not been persuaded that it represents an acceptable balance between the preservation of individuals' privacy rights and the interests of researchers and genealogists.

When you refer to the preservation of individuals' privacy rights, for how long do you feel that the privacy right of an individual should be preserved, in spite of the fact that your mandate says 20 years after death?

**Mr. Phillips:** Senator, census information is gathered by Statistics Canada on a promise of confidentiality to the people who are required to give it up under penalty of law. That is a compulsory collection of information. We get, in my office, many complaints from people about the intrusive nature of the questions I mentioned merely to testify to the sensitivity of the information. It is not for me as Privacy Commissioner or, I submit, for any other individual, to decide how much privacy the people who give up that information in the expectation that it will be held confidential and secret by Statistics Canada can be expected to give up.

In my view, dead people are just as entitled to an expectation of privacy in those circumstances as anyone else. The notion that somehow or other our departure from this earth means that all the personal information about us will be open and exposed to anyone who wants to look at it thereafter is one that no Privacy Commissioner could support. I understand the interest of

genealogists and others in this kind of information, but I simply make the case that there are all kinds of data banks gathered by the Government of Canada which contain a great deal of interesting personal information which I think might be of equal interest. I do not see a special case for excusing the census. In fact, I think the case for keeping that information confidential is stronger than it is with most databases because of the sensitive nature of it.

To argue that simply because you are dead you have waived all your rights, in my opinion, is not an acceptable proposition.

**Senator Milne:** Even though that is a proposition under which you are mandated to operate?

**Mr. Phillips:** The Privacy Act also says elsewhere, senator, that information shall not be disclosed without the consent of the person to whom it relates, subject to the very limited and specific exemptions that are in the act. Even if information may be disclosed after 20 years, there is still the factor of complaint. Yes, it has escaped the definition of personal information. Nevertheless, there is a good privacy principle involved here.

In the case of Statistics Canada, the promise of confidentiality is right there on the form. It establishes for the individual citizen, Statistics Canada, and the Government of Canada as a whole an element of trust. No convincing argument has been given to me that would justify, in the interests of some historians, genealogists, and other interest groups, violating or disposing of that trust.

**Senator Milne:** Thank you Mr. Phillips. I expect you and I will be locking horns on this again.

**Senator Atkins:** Welcome, Mr. Commissioner, and thank you for your presentation. I think it is incredible that you are in your seventh year, and this is the first time that you have appeared before this body.

As I recall, you were concerned when they made the amendments to the Elections Act about the permanent voters list and the misuse of that list. Do you still have those concerns, or are you satisfied that the Chief Electoral Officer is fulfilling his responsibility of protecting that list and using it only for the purposes for which it was intended?

**Mr. Phillips:** I will try to give a quick answer to that, senator, but I must say that I have not looked at this issue since the act was amended.

•(1610)

Most of the concerns that I held at the time were addressed and resolved by the Chief Electoral Officer. The only remaining one was the issue of making a list available on an annual basis, which I know was a very desirable change in some people's mind. We thought that this might expose the body politic, as it were, to an excessive amount of political proselytization, but that got a little out of my brief, to be quite frank.

Our chief concern was with the consent of voters to have their names put on the list. The Chief Electoral Officer wanted to use Revenue Canada returns, because of their current addresses, as a principal resource. We resolved that by having Revenue Canada agree to put a consent box on the tax returns, and I was pleased to see that more than 80 per cent of tax filers gave their consent to have their addresses given to the Chief Electoral Officer. There were some other changes as well, but that was the principal concern.

**Senator DeWare:** Mr. Commissioner, given that we have a proposed act on the books that will change Revenue Canada to the Canadian Customs Revenue Agency, headed up by an 11-member board appointed from across Canada, probably political appointments, would that change your mind as to the privacy of the use of the names?

**Mr. Phillips:** I must give you a conditional answer because your question is based on an assumption. I am assuming that the proposed agency will be subject to all the legislative safeguards that are now in place for Elections Canada and Revenue Canada. If that were not so, then I believe we would have something to worry about.

**Senator Kinsella:** It is good to have you here, Mr. Commissioner. I also should put on the record that your assistant, Mr. Delisle, is a former student of mine. Therefore, honourable senators, Mr. Delisle is well trained and was one of our lead investigators at the New Brunswick Human Rights Commission when I was chairman of that agency.

It is my understanding that, under section 72(1) of the Privacy Act, all heads of the various government agencies have an obligation to submit reports to you as to how they are complying with the act. In your report, which is the subject of this Committee of the Whole, you present a table on page 48 of the top 10 departments by complaints that you have received. According to that table, from Human Resources Development Canada there were 671 privacy complaints and 356 from Revenue Canada. The number of complaints from all the other agencies drops way down to 20, 40, 19, et cetera.

Based upon what you tell us in that table, you are in constant communication with Revenue Canada and Human Resources Development Canada. What is the problem?

**Mr. Phillips:** First let me say, senator, that I do not know whether we have an inside man at the Senate or you have an inside man in my office, but in any case it is very useful.

Yes, that very high number of complaints from those two departments relates to one particular issue, namely, the data match in which Revenue Canada supplied the Customs forms from returning travellers to HRDC for the purpose of matching up against unemployment insurance claimant lists, in order to find people who were out of the country while receiving benefits. That particular issue has triggered one of the largest body of complaints we have ever had on a single problem.

**Senator Kinsella:** Has that practice stopped?

**Mr. Phillips:** It has stopped. We tried very hard to negotiate a compromise arrangement with HRDC because we saw some problems in that particular data match. We could not succeed, therefore, we joined with the Department of Justice in a reference to the Federal Court to test the ministerial authority for conducting the data match. We have another case ongoing to test the validity of that kind of use of the information against the Charter of Rights. We have had a judgment from the Federal Court on the first question, which found that the minister has exceeded his authority. I believe that is a fair way to describe the outcome of the case. While they contemplate their next step, the match has been suspended.

**Senator Kinsella:** It seems to me, honourable senators, that where the Privacy Commissioner and a few others are officers of Parliament, and whereas under our system of governance ministerial accountability is to Parliament, this is a very important area for us to mine. That is to say, when an officer of Parliament, whether it be the Privacy Commissioner, the Official Languages Commissioner, or any other officer, is having difficulty with the agencies of government, rather than using the judicial system the parliamentary system could be used.

Would you comment on that in terms of accountability of these agencies that you have difficulty with and their accountability to Parliament, and whether or not the Privacy Commissioner could be coming to Parliament with the problems that Parliament could be addressing?

**Mr. Phillips:** I am pleased, Senator Kinsella, to hear that suggestion raised here. The act does provide for the commissioner, should he or she feel the problem is of sufficient importance, to make special reports to Parliament. I have always regarded that special report provision as being a nuclear bomb-type of provision to deal with something that I consider to be of an all-embracing and critical national nature.

That particular case is a classic of the kind that comes up these days, and I believe we will see more of them, of departmental officials seeking to use databases which were collected for one purpose and used for another. It comes up most often as a means of tracking cheats and that sort of thing, which we all wish to do. However, it does raise privacy questions because of the government's obligation to the people who give up all this information on certain undertakings.

We do not have, at this moment, an effective way of dealing with that, and I should like people to turn their minds to the problem. Any department, by Treasury Board policy, wishing to conduct a data match is required to bring it to the office of the Privacy Commissioner for review, and some do, if I can put it that way. I do not have the power to stop them. I only have the right to offer an opinion, usually delivered by a member of my staff because I must be very careful not to be seen to be judging any particular issue in advance against which I might subsequently receive a complaint that needs to be investigated.

I do not feel the Privacy Commissioner should be permitted to stop data matches. There are other considerations besides privacy. Equally, I do not believe that ministers, simply on the



authority to manage a department, should be allowed to override issues of a privacy nature. What I am thinking of is perhaps some additional system of review.

I am very unhappy with the present situation that drove us into court. It has cost a great deal of time and expense, and I do not wish to repeat it. However, we are not Luddites in our office; we do recognize the great value that modern technology can bring to government operations by way of efficiency and savings. At the same time, bureaucrats who are under enormous pressure to improve their systems to achieve economies tend either to ignore the privacy dimension or not to take notice of it at all. We must do better than that. We need a better system.

**Senator Kinsella:** Mr. Commissioner, it is my understanding that section 75(1) of the Statutes of Canada establishes that the administration of the Privacy Act can be reviewed by a committee of either House but that such a review has not occurred too often.

Am I correct in my understanding?

**Mr. Phillips:** There was one in 1987. It was provided for in the act, which required a review after the first five years of operation.

**Senator Kinsella:** There has not been one for the past 12 years.

•(1620)

**Mr. Phillips:** Some very sensible recommendations were made but not adopted.

**Senator Kinsella:** In your opening comments you made the observation that the act needs revision, that it is leaky and creekly. You alluded to too much exclusion. You made reference to data matching and data mining and those kinds of things. Let me ask this question: Are there many models available to draw from in a revision of the current Privacy Act, including the model that exists in the Province of Quebec?

**Mr. Phillips:** Yes, there are a number of offices similar to mine in this country and abroad, New Zealand, and Australia, most of the countries of Western Europe.

In Canada, most of the offices in the provinces are based upon our model rather than the other way around. There are also significant differences. The provincial commissioners all have ordered powers. I am an ombudsperson and I do not want ordered powers. I am able to take an approach that allows for less confrontation, that allows me to try to negotiate solutions, which puts the focus on locating and fixing problems rather than finding blame. My relations with government departments are quite cooperative. We do get some good results.

My office was set up exclusively as a complaints investigation bureau and an audit office. We were not given a mandate to do public education, policy or research work.

The nature of the discussion we are having now indicates how limiting the act is. Without the funding to do some decent policy

research, it is difficult for us to stay abreast of the swiftly changing scene. As a consequence, we have had to patch and paste to do policy research in order to have some relevance to Parliament in terms of being able to provide you with some cogent advice and keep you up to date.

I have asked the Minister of Justice to take a look at amending the act to bring it up to date. A parliamentary review would be a good thing.

**Senator Grafstein:** Commissioner, the last time we had an exchange was in the Standing Senate Committee on Legal and Constitutional Affairs. Our committee worked very closely with you in order to ensure that the proposed DNA data bank legislation was more sensitive to privacy concerns than might otherwise have been the case. We hope that the output of that bill will justify our efforts in that regard. In that case, our committee insisted that there be an independent body and that the commissioner be involved in order to sustain and maintain privacy.

I was listening to your opening comments about the need for a constitutional amendment to ensure the right of privacy. I could not help but think about how that situation might have changed events in the United States if they had adopted the right to privacy in the last year or so. Things are ever fresh in constitutional matters. Who knows, we may adopt that principle.

I am interested in your mandate with respect to reviewing legislation. Legislation pours through this and the other place. Many legislative matters impinge on privacy. Do you consider one of your mandates to review all legislation for sensitivity to privacy matters?

**Mr. Phillips:** If we did not look at legislation, we would not know what is going on. In that respect, we would be failing in our duty to the chamber and the other place. We do our best, and that is all I can say. I have very limited resources for that purpose. I have one very competent officer in my office who takes care of that work as one of her many duties. We do not have adequate resources to thoroughly canvass all of the legislative propositions.

Funding has been a severe problem for our office. I know every official coming before a parliamentary body drags out this crying towel. However, ours is a special case. I am almost embarrassed to tell you what our operational funding has fallen to as a consequence of historic underfunding complicated by government reductions. This year our allocation is approximately \$100,000. Let me tell you how this affects what is essentially a complaints investigation office.

The credibility of my office and the investigative process depends to a significant extent on the ability of my investigators to go on site where these complaints occur; that is frequently out of town. It would not take my office many investigations to exhaust a budget of that size.

**Senator Grafstein:** I understand what you are saying. That was not the thrust of my question. The thrust of my question was: Do you consider part of your mandate to review draft legislation before it is passed?



I try to read all the legislation that comes before this body, not in detail, but to try to grasp some of the central principles. It is one of the jobs of all legislators. Do you consider legislative review to be part of your mandate in order to raise some red flags to indicate a problem or possible problem? Do you consider your mandate sufficient to survey or verify privacy issues in all legislation?

**Mr. Phillips:** The answer to that is in the affirmative if, by "mandate," you mean our responsibility. This is not specifically mentioned in the statute as one of the things that we are instructed by Parliament to do. However, there are many other things that are not mentioned either. We have a responsibility to do our best in that respect. However, we need more funds to do our jobs effectively.

**Senator Grafstein:** Yesterday in the Foreign Affairs Committee we were reviewing Bill S-22. This is proposed legislation authorizing preclearance of travellers and goods in Canada for entry into the United States.

In that bill is a provision that allows American officers on Canadian soil to obtain reams of specified information about travellers, all with a view to offsetting difficult issues. That information goes into a data bank and a preclearance officer is obliged under the statute, if they do not use the information, to destroy it within 24 hours:

...unless the information is reasonably required for the administration or enforcement of Canadian law or preclearance laws.

Essentially, it is their choice as to whether they retain that information. That is a massive amount of personal information. We are wrestling with this subject in committee. It came to our attention as we reviewed the bill.

I cite this as a specific example as to whether or not your office considers it part of its mandate to raise red flags in order to provide parliamentarians with some advice on matters such as this.

When you consider the liability section, there is a limitation on liability against those preclearance officers even if they fail or omit to do anything under the proposed legislation from a civil aspect.

•(1630)

It is a major concern. More than 50 million trips are made across the border every year. Massive amounts of our information exist in American computers. I raise that as a question.

**Mr. Phillips:** Senator, we are looking at that particular bill now, even as we speak. I expect we will have something to say about it very shortly. We have not had it long, just a matter of a few days. Some of the implications were immediately apparent, but we are looking at it now and will certainly be prepared to offer some observations on the subject.

You mentioned the DNA bill. Let me compliment the members of the Senate committee who handled that particular issue. The end result was a wonderful example of what happens when a parliamentary committee digs in and knows its stuff.

**Senator Grafstein:** You are referring to a Senate parliamentary committee.

**Mr. Phillips:** Yes, I refer to a Senate parliamentary committee. The bill was greatly improved in the process. We had a very serious concern about some aspects of that bill and they have been pretty much resolved.

Regarding the DNA bill, my point is that we came to the Senate committee because we were doing precisely what you were discussing, which is monitoring legislation.

**Senator Grafstein:** With respect to the new computers in telephony, particularly those computers which measure the quantum of telephone use by users, those telephone numbers are now being monitored. There are reams and reams of these records. Senators will note that their telephone bills include reams of numbers, all of which are recorded in a computer. We all have two or three telephones and we are getting these long lists.

It struck me that the amount of information in such a federally-regulated industry puts enormous power on issues of privacy into the hands of an authority or a public corporation without any survey on what they do with that information or when they drop it.

I have not looked into this question. Has there been any thought on your part about that type of information? Can those long tracks of private information be curtailed, such as requiring that, after a year, the computer records be wiped clean? Have you given any thought to that? Is that an issue for you?

**Mr. Phillips:** Yes, of course, it is an issue. Those are typical of the kinds of mass information holdings that private corporations can collect. If it is not subject to some reasonable privacy standards, it can be abused and is being abused. We can give you terrible examples of information that has been collected and wrongly used.

I am assuming that if Bill C-54 passes this chamber and Parliament, we will go a long way toward getting a handle on that kind of problem, because Bell Canada's information management practices then would come within the purview of the office of the Privacy Commissioner. They would be required to subscribe to a legally established standard of information management, which is set out in the bill, principally guided by the Canadian Standards Association Model Code of Information Practice which was devised, in part, by private sector people. That would become the law and they would have to live with it.

The notion, therefore, that all of that telephone numerical information — which provides all sorts of information, including a very good guide to the interests of the callers and their locations at any given time — would be protected by a statute. That is the whole argument on behalf of legislating legal privacy rights.

**Senator Di Nino:** Welcome, commissioner. As a former member of the press corps, I am sure you must be very pleased that when you come to the Senate, you get an elevated position.

Mr. Commissioner, you and others have raised concerns about the privacy of information held by financial institutions. As you undoubtedly know, they have a privacy code to which all financial institutions claim to adhere. It has been suggested that if the financial institutions were really serious about the privacy of information, they would use your office either as an appeal mechanism or simply as their overall privacy adjudicator.

Could you give me some comments on that, and perhaps a bit of a report card on how the financial institutions are behaving themselves, or otherwise, as well as some advice or suggestions on how we should deal with that issue?

**Mr. Phillips:** To answer the last question first, I cannot give you any kind of informed judgment on the behaviour of financial institutions in this country. I have only anecdotal evidence. The reason is, of course, that at this moment I have no jurisdiction.

We do get complaints from people around the country. We can do very little for them except offer them comfort and sympathy because I have no right to go through the doors of a bank to ask any questions.

The Canadian Bankers Association and some of the individual chartered banks have developed good voluntary codes of practice. If they lived up to those codes in spirit and letter, that would probably be sufficient. I do not think that is enough in this day and age and I have no notion whether they live up to them or not.

In any case, we have reached the stage where the collection and use of personal information is now one of the principal activities in the business and governmental world. People are entitled to have legal rights respecting the use of that information.

We have a bill coming before a Commons committee now which will do exactly that. I have not yet heard the Canadian Bankers Association, as they have not appeared before the committee yet. However, it is my understanding that the Canadian banks feel that the powers given to the Privacy Commissioner in that bill are excessive and unnecessary. I am sorry that they are taking that position. The consumer advocates, on the other hand, feel that the powers given to the commissioner under that bill are lamentably inadequate. I guess the bill strikes a pretty good half-way position.

It is an act of some courage and imagination that the government has adopted this position. It will not get an easy ride. The bill needs some improvement and there are some powerful interests which do not like the idea, but the time has long since come for the acceptance in this country of legally established privacy rights.

Such laws have existed in most of Western Europe now for several decades. They are well ahead of us. Australia is now

moving toward it. New Zealand has had it for some time. There are recently independent countries in Eastern Europe which were very quick to move toward data protection laws of the kind that we are talking about here. Those people recognized from their own unhappy experiences the dangers that are involved when the state or corporate interests can take personal information and use it in any way they want. Our time is long overdue and I am glad to see it is at last happening.

**Senator Di Nino:** That pretty well ensures you will return to the committee structure — I am not sure which one it will be — of the Senate in the not too distant future because obviously your comments have hit a chord today, particularly when you equate privacy with freedom. That was something to which we all paid attention.

•(1640)

I have a practical question dealing with some of the anecdotal evidence of which you spoke in relation to financial institutions abusing or misusing data. Have you heard of problems existing in the misuse or abuse of the data financial institutions have when it comes to cross-selling? To be more specific, are the banks or other financial institutions using the data they have to sell services in the insurance field or mutual fund field, something which was never intended when the original service was entered into?

**Mr. Phillips:** I think you can get a more complete and accurate answer to that by examining the report of the Canadian Bankers Association ombudsman, which was issued a few days ago. I have not gone over it in detail, but tied selling is one of the principal problems with which he has to deal, and those problems arise from bank clients. I cannot give you any more than fragmentary views on the subject.

If you have friends in the investment dealer community, they may tell you that the bank that owns them does not have anyone in the bank sending account information. However, it is hardly necessary if two people meet for lunch and one says to the other, "You should get in touch with Joe Smith, who blew into town the other day from Vancouver." If a banker says that to an investment dealer, it conveys something. As far as I know, there is nothing unlawful about the practice. However, I would not want to be in the position of trying to pass any kind of judgment, as I do not have enough information.

**Senator Di Nino:** I appreciate that, and we will look forward to seeing you when we deal with Bill C-54.

**Senator Oliver:** Mr. Commissioner, on two or three occasions when you have appeared before committees on which I have been sitting, we have discussed the issue of privacy in relation to medical records — that is, patient-doctor records and patients' hospital records and insurance records, such as the details of a person's private health concerns contained in an insurance policy. One of the things that will never leave my mind was evidence before one of our committees about where some Canadian



insurance health particulars are actually stored and how easily accessible they are to the general public. I am hoping you can comment on that to let us know whether that problem has been cured.

My specific question today deals with computer storage of some of these records and what will be done with them. Do you think Bill C-54 will be a big enough and good enough remedy to ensure that privacy of our medical and insurance records is contained?

**Mr. Phillips:** The answer to the question, Senator Oliver, is maybe.

A good deal of personal information is gathered in Canada in the course of all kinds of enterprises and activities, health being one of them, which is processed in the United States.

**Senator Oliver:** In Hartford, Connecticut?

**Mr. Phillips:** I believe the medical insurance bureau to which you refer is based in Boston. I think that is what you are talking about.

Yes, insurance companies routinely file from Canada to the United States a good deal of information they have gathered from their policyholders. That information, once it is out of the hands and over the border, is essentially beyond the control of any Canadian law. I do not think Bill C-54 really deals with that problem. It does deal with the information, though, as long as it is inside Canada. It may be that the problem can be approached through the disclosure provisions of the code. I am sorry, but I will defer a more complete answer to that question.

**Senator Oliver:** What happens in Canada when marketers marketing health products have access to some of our private insurance health records, records from hospitals and patient-doctor records? Will Bill C-54 be able to curtail that use when the information is stored in various computer systems and databanks?

**Mr. Phillips:** No, I do not think so. It could.

**Mr. P. Julien Delisle, Executive Director, Office of the Privacy Commissioner of Canada:** Honourable senators, Bill C-54 deals essentially with commercial transactions. If it is a doctor-patient relationship, which is not part of any commercial transaction, it falls outside the ambit of the bill.

**Senator Oliver:** What if someone has the data and they suddenly start to commercially market a particular health product based upon information they gained and gleaned from reading private health records, either from a hospital, a patient or an insurance policy?

**Mr. Delisle:** Then it may be subject to Bill C-54.

**Senator Di Nino:** It may be?

**Mr. Delisle:** Yes, but we would have to look at the specific circumstances.

Right now the private sector is largely unregulated anyway, so there is no legal protection with respect to those issues.

**Mr. Phillips:** One of the problems with the bill in its present form, Senator Oliver, is that it says it covers commercial activity. However, commercial activity is not sufficiently and clearly defined. Does it cover things, for example, such as non-profit or charitable organizations? In the case of a charitable organization, would it cover only that part of its activities in which they hired people to raise funds and paid them? What effect would that have on any records created as a consequence? There are some complications and ambiguities involved here that we must sort out.

Professional associations, such as bar associations and medical associations, are not specifically mentioned. Will they be covered, "yes" or "no"? If one sees a lawyer to get advice and a bill is sent, is that a commercial activity, or is it excluded because it is generated by a person involved in a professional activity not covered by the act? Again, we have to sort a few of these things out. I hope by the time we get back here before this chamber, we will have answers to those questions.

When I said maybe, I would lean more at this stage to "probably yes." When we look at what you are talking about, there is certainly bound to be a commercial activity involved there somewhere that would require the consent of the people whose information is involved before it could be used.

**Senator Cools:** Mr. Chairman, how long will we be? We do have other business to deal with today. Did we set a time frame?

**Senator Carstairs:** No, we did not.

**Senator Cools:** Welcome, Mr. Commissioner. You stated that you are an officer of Parliament, and most of us know exactly what that means. Your particular position as an officer of Parliament has a different history, say, from the electoral commissioner, who essentially took over the tasks the Speaker and the clerks of the House of Commons used to perform in respect of elections. I know that you are an officer of Parliament, but how does that affect the running of your office in a day-to-day manner? In other words, what do you do daily that other office holders who are not officers of Parliament do not do, other than giving one report to Parliament annually?

**Mr. Phillips:** We investigate complaints against government departments daily. We receive an average of 2,000 complaints annually about various alleged abuses of personal information by people in Canada. We are required by the statute to investigate them.

•(1650)

The process of appointment, senator, and the process of accountability by which I report only to the Speakers and to the members of both Houses is to make absolutely sure that there can be no perceived or actual conflict of interest in the operation of my office. I am not subject to a direction by any department of government. That is the principal difference between what I do and what, say, a deputy minister in a line department does. He is under the control of the minister and the executive of the day; I am not. I am under your control.



**Senator Cools:** That is quite true, but the chairman of the National Parole Board, as chairman of such a tribunal, also has similar powers to do certain things. Those types of positions are not deemed to be for officers of Parliament. I am trying to get at the relationship of the officers of Parliament to Parliament, and the impact and the influence that that relationship has on your day-to-day operations.

**Mr. Phillips:** I do not know that I can answer it any better than I already have. The National Parole Board is in the business of examining the suitability of people for parole. I am in the business of investigating the National Parole Board from time to time and have done so. It would be a very awkward situation, for example, if my office and the office of the Solicitor General, which is the department to which the parole board reports, were both run by the same minister. It would be impossible to have a credible complaint investigation agency if it was under the thumb of a departmental minister.

We have a few problems with it as it is because in the financial area the Department of Justice — because privacy is under the justice envelope — is required, under the Financial Administration Act, to sign off on our Treasury Board funding submissions. This could be seen by some as a possible source of perceived conflict. However, it does not bother me. The Department of Justice has never in any way done anything other than add their pro forma signature to our submissions. They are mildly uncomfortable with this arrangement, too, but I do not think it is a serious problem.

I do not know what more I can tell you. The officer of Parliament works for Parliament. The National Parole Board works for the government. That is the difference.

**Senator Cools:** I have another question which is a bit more difficult and quite speculative. It may be awkward or difficult for you to answer, and I would understand that.

You have had extensive experience in privacy issues, and a life-long experience as a journalist, so you have unique experience. A couple of weeks ago, many of us were shocked by the depictions of Minister Sheila Copps in *Hustler* magazine. It bothered a lot of us here. It bothered Senator Kinsella and myself a great deal. I looked at the depictions. I examined the matter carefully.

My question for you is: Is there an issue of privacy there? If you look at those depictions, there is nothing "unlawful" about them. They are not perpetrating a crime. It certainly is not an issue of libel or slander because there is no slander, but what is it? Where does a minister or a member of Parliament look for protection in legislation against that sort of thing?

You began by quoting from Mr. Justice La Forest who said that privacy is at the heart of liberty, and so on. Have you given any thought as to whether or not there is a privacy issue there?

**Mr. Phillips:** There is certainly a privacy issue, absolutely. There is a privacy issue involved every time any individual's

personal information is used for publication purposes. However, whether it is for or against the law and whether it is right or wrong are additional questions.

I have views on a good deal of these things. If you or anyone else can propose a system for correcting the abuses of bad taste of that nature that occur in public that will pass muster with the Charter of Rights and Freedoms — in particular, the free press — I would like to hear about it.

I share with many people some dismay at what I consider to be a decline in the standards of good taste in some areas of journalism.

**Senator Murray:** It is more than a question of good taste.

**The Chairman:** Order, please!

**Senator Cools:** I would be happy to defer to Senator Murray for a second.

**The Chairman:** Senator Murray, with Senator Cools' permission, you may ask a supplementary question.

**Senator Murray:** I was about to come to a question along these lines, but it was not specifically related to Minister Copps.

My question is: When will there be some protection for Canadians against invasion of their privacy by the media? I have never been victimized myself — I hasten to say that — but I know quite a few people who have in politics and in other areas where they achieved some degree of prominence. All of a sudden, matters that have to do with their personal, private or family lives are retailed in the media. Those are invasions of privacy. Why can there not be some protection for Canadians?

**Mr. Phillips:** Senator Murray, when you are referring to public media, the issue is: How much invasion of privacy is justifiable? We could get into an interesting and extended discussion on this point. How much expectation of privacy and what kinds are people in public life entitled to claim? What is their reasonable expectation of privacy? These are not simple questions. Finding a legislative answer to them would be extraordinarily difficult.

The real problem with the media these days is partly induced by the enormous competitive pressures of television, inadequate resources for proper editing, and inadequate training of journalists in areas dealing with ethics. Let me cite one example of the kind of thing I am thinking about. When I started in the newspaper business forty years ago, my first day on the job, as I was rolling the paper into the typewriter carriage to write an obit, the managing editor of this small newspaper came to me and said, "What are you doing?" I said, "I am about to write an obituary." "Good," he said. "Just remember that every time you put someone's name on a piece of paper for public distribution you are accepting some responsibility for that person's reputation thereafter, dead or alive." I have tried to remember that. I think

most of the reporters and journalists of my generation did try to measure their writings against that kind of standard. I am not sure that the same kind of attention is paid to those issues when young journalists start out in their careers these days.

Having been around here a long time — and, people who have been here for similar periods of time would probably agree with me — it is worse now than it used to be. Maybe the answer is in better tort law but I do not think it is to be found in trying to establish “what is” and “what is not” in a legislative framework — that is, a whole set of areas that you cannot report upon. It is very difficult. I must make the claim on behalf of my former occupation, sometimes, to know where to draw the line.

There are many people, particularly those in public life, who are the principal targets of this kind of journalism and who welcome a lot of public attention. The Princess Diana case is an interesting one from that perspective. Many of the people involved complained bitterly and incessantly about the horrendous stories that were written in the London papers, and the British Parliament was on the verge of passing restrictive legislation when it was discovered that these people were complicit and had encouraged the transmission of a lot of this very squalid and sordid material to the newspapers.

•(1700)

We have to be a bit careful about this kind of thing. The answer, in my view, is to be found inside the industry itself, I hope.

**Senator Taylor:** I was introduced to the commissioner many years ago through the medium of television. He has lost none of his persuasiveness. If he were ever to enter politics, he could be dangerous.

I have been a friend, for some time, of your assistant. I always wondered where some of his views came from, and now that Senator Kinsella has admitted to having a hand in shaping those views, perhaps I will be able to trace it back to that.

My question will be fairly short but perhaps a bit off the wall. Is the government infringing on my privacy by asking the sex of my partner when preparing pension benefits? What business is it of the government to know whether my partner is male, female, or maybe an it?

**Mr. Phillips:** I can only answer the first question. Yes, it is an intrusion in your privacy, absolutely, because they are asking you to give up what you consider to be personal information, and which my aunt would consider personal information, too, I think.

Whether it is justifiable in the circumstances, whether it strikes that famous balance that bureaucrats are always talking about when they want to strip you of your privacy, is the question. I could only give you my answer as a Privacy Commissioner if I knew all the circumstances.

Was the information absolutely necessary to properly administer the program in question? Could they do so just as well

without that information? To what uses will the information be put? What security is attached thereto? Those are the questions that concern a Privacy Commissioner.

We start from the position that any disclosure of your personal information constitutes a subtraction from your privacy, if adequate controls do not surround the transaction of the information.

Yes, there is a loss of privacy involved. Is it right or wrong? I cannot answer that question until I know more.

**Senator Andreychuk:** Mr. Phillips, I had the benefit of listening to your views with regard to the DNA bill and was much taken by your concern for your proposition that you must put forward a strong position for privacy. I also liked the fact that you said that privacy rights are not absolute, that they have to be balanced against other rights. Consequently, if I understood your reasoning during our deliberations on the DNA bill, we could have had more privacy but we opted for a position of understanding the costs that that might bring if we used individual profiles rather than clustering profiles. You also understood that the profiles may change as our information changes. The way that I look at rights, we are constantly balancing one right against another.

I want to go back to Senator Milne's discussion about the census. While this was not legislated, people gave information on the understanding that there would be confidence under the census. Let us say 100 years pass. In my case, there will be no children, but who knows where my extended family will be in 100 years. It seems to me that, in a democracy, information collected by the government and put under seal may still need some examination at some later date, to determine the accuracy of the information and to determine whether it was used properly, or at all. In a democracy, we can learn from our history. You might wish to comment on that.

I also wondered if you would be in favour of the government entering into a public debate to reopen those census records, as they have in Australia and other countries, perhaps after 90, 100, or 150 years. Who knows where the breaking point should be?

I know you considered this issue from the perspective of historical research and genealogical research. I am looking at it from the viewpoint of fundamental democratic rights, such as the right to a double-check on a government system. Sometimes that double-check is immediate, in some cases fulfilled by the Senate; but at other times, time needs to pass and we need to reflect. I think of the 1911 census, when so much information was taken. Now there is the issue of internment of certain immigrant classes. We know by access to some of that information, through their kin, that it was false and was used by other government departments.

Would you therefore still absolutely say “no” to access to that census data, or do you believe that this broader debate should take place and that the government should encourage that?



**Mr. Phillips:** I would certainly agree that there should be a very broad, extended, public debate before the terms on which census data collected from Canadians is altered. I would agree with you that far, senator. I say that based upon my own experience of the extreme sensitivity with which a great many Canadians consider this census data. There have been two censuses since I started in this office, and each has generated an enormous number of complaints to my office relative to our normal flow of traffic. Generally, they turn on the subject of the intrusiveness of the questions.

It would be a pretty poor privacy commissioner, senator, who would easily yield to a plea for access to that kind of information by genealogists and historians.

I might be more easily persuaded if that were the only or most important source of information for historical research, but, clearly, it is not. I have seen some of the work that has been assisted by access to census data in other places, so I do not deny its value.

We have a system here in which Statistics Canada is charged, by law, not to disclose that information to anyone. I think that is the safe way.

Who among us really is ever in a position to make the decision about disclosure of that kind of information on behalf of someone else? That is what is proposed here. There are millions of people who have given up that information. All of them did so on the assumption that it would be protected from disclosure forever. Many of those people may very well believe that it is essential that, long after they are dead, that information be kept sacrosanct.

Let me give you a parallel experience, although it is not a precise analogy. There were many servicemen in Canada who were the fathers of children born overseas during the war. They came back to Canada, picked up their lives, got married, and had more children. Now there is a great appetite among people in Britain to know more about their biological fathers. They have come to Canada as a group and are individually asking the Department of Veterans Affairs and public archives to track these people down so that they can get in touch with them.

●(1710)

One can understand the anguish that lies behind some of those requests. They came to us and asked for our view. It was my view that unless these former servicemen consented, their privacy should be protected. I know that hurt people. I can tell you, however, that we took the trouble to get in touch with them ourselves, or public archives did, and we asked, "Do you wish to have your whereabouts disclosed to your children or grandchildren in Britain?" The answer in the overwhelming majority of cases was "no."

This is a case where one could identify a benefit to the people who wanted to breach someone's privacy. If there had not been a requirement of consent involved here, the institution might well have done so. We cannot put ourselves in the position of making decisions on behalf of other people as to how much privacy they

want. We can only go by these well-tested principles that apply to Statistics Canada's informational practices. There is a law to fortify it. There is a reason for that law. It is there because Canadians are touchy about this census data, dead or alive. We must be careful before we monkey around with that. I certainly agree with you that if there is anything like that being contemplated, there should be the broadest kind of public debate.

**Senator Andreychuk:** One of the comments that has been made about the last number of censuses is that information gathering has gone way beyond what a census should gather and has become a ruse for getting other information in a quick and easy way.

We do have examples where, in the public interest, we have breached previous confidentiality, and that is in adoptions. We chose to reopen those cases for the benefit of children who have diseases, et cetera, and need to know their biological contacts. It seems to me that a debate in the public interest would be the right way to go.

**Mr. Phillips:** Senator, different people will think different things about these issues. It is a good debate.

With respect to the types of questions being asked by the census, yes, they are certainly asking for interesting kinds of information. If you have problems with that, I am not really the person to answer. The Chief Statistician will probably give you the answer that he has given me, which is that there is a defined, urgent public need for the kinds of information that is sought on the census.

On behalf of the process, I will say that it is very exhaustive. Committees of experts from all over the place consider all these things as they winnow down the list of census questions. No doubt they are extremely intrusive, and there is a substantial loss of privacy involved which, in my opinion, mitigates even further in favour of keeping our bond with the Canadian public.

**Senator Andreychuk:** Bill C-54 will put a lot of responsibility on the Privacy Commissioner, and certainly the resources will be needed if you are to be effective. I think it was more than a crying towel; I think it was an honest piece of information that you are giving the senators before we get to Bill C-54.

Can you comment on the issue of encryption and the information that you are receiving and will be looking at from the business community? Once the information is in the hands of someone else, whether it is the police or the Privacy Commissioner, those people will go offshore and run their businesses. Not only is it a question of us being involved in the loop on international business, but if we are to fight international crime, we need to break into the encryption for the police.

Should the police be monitoring the encryption systems and the financial institutions, or should the Privacy Commissioner be doing that? Do you feel there is a need for more powers for the RCMP in that respect, or do you believe there is a role for both your office and the RCMP?



**Mr. Phillips:** I do not believe the police should monitor anyone's communications unless they have a proper warrant to do it.

**Senator Andreychuk:** I am saying they would do it under the legislation.

**Mr. Phillips:** I do not think legislation that would permit any other kind of surveillance should be approved by a democratic legislature anywhere.

My view of encryption at this stage of the game is as follows: Electronic commerce will be greatly facilitated by the more widespread adoption of encryption. It is happening all over the place. I do not favour what is called the public key escrow system in which people who are using encryption systems have to give them all up and have them stored by some third party so that the police can get them whenever they want.

If I can use a more ancient sort of analogy, it is like saying you must give the police the key to your mailbox. Codes have been used in commercial and personal traffic for centuries. There has never been any suggestion before this encryption debate began that somehow or other the police had to be given keys to all these codes. I am not at all persuaded that the possession of these keys would have any significant impact on criminal enforcement. If anything, it would probably drive the criminally inclined to find some other means of communication. This subject will be around with us for a while, but that is my position as of now.

As for the banks and their arguments that the business will go offshore, I would like to know where they would go. I think you should be sceptical of these arguments. The chartered banks of Canada, by and large, have been operating in Europe for decades where they have much more stringent data protection laws than is proposed before the Parliament of Canada, and I have never heard them complain once that they could not do business there.

**Senator DeWare:** I should like to follow up, Mr. Phillips, on something Senator Taylor said, but my question would be in connection with Bill C-68, the Firearms Act. When they presented that act, I imagine you looked at the data that they were asking for to register a firearm or to buy a firearm. It is not only your name, age and address, your criminal history, but you must provide medical information, as well as psychological information, emotional information, loss of job, failure in school, marital status, which is not allowed in many cases, and other significant relationships.

You must have had some input into that and asked them how they would control this information.

**Mr. Phillips:** You put your finger on the issue of how to control the information. We have had many complaints about these forms, senator. People were thinking that the questions put are altogether too nosy and intrusive.

We have taken that issue up with the firearms people. They have been able to make a fairly decent case, if I can put it that

way, that all those questions, which have been psychologically approved, are necessary to make a considered and informed judgment as to whether the person applying for the possession of the firearm is likely to indulge in violent behaviour or misuse of a firearm. You have to make what you will of that. There is no doubt that they are intrusive questions.

The more relevant question for my office is how that information will be managed and controlled. I must tell you that we are not terribly happy. We have been working with the people charged with bringing this gun registration system into effect. We have been looking at the forms. We raised a number of questions. I will not go into them in great detail here. We suggested a number of changes to improve the degree to which the confidentiality, security, and privacy of the information could be protected. We urged them to be put into the bill. They told us they would be put into the regulations. We did not see them in the regulations. They told us they would be taken care of in the forms. The forms are now out. We were not shown the forms before they were published, and they have not acted on many of the things we suggested. We are not happy with this situation. We think that it is altogether too loose, that there are too many areas in which the information can leak to unauthorized places, and that it should be fixed.

•(1720)

**The Chairman:** Honourable senators, I have exhausted the list of questioners.

[Translation]

All that remains, Mr. Commissioner, is for me to thank you for responding to our invitation and giving direct answers to our questions. Your remarks clarified for us the role you will be playing and they will certainly help us in our future deliberations. Mr. Philips and Mr. Delisle, we offer you our thanks.

**Senator Kinsella:** Honourable senators, I think you will agree that the Committee of the Whole has concluded its deliberations.

**The Chairman:** Honourable senators, you have heard Senator Kinsella's proposal. Do you agree?

**Hon. Senators:** Agreed.

**The Hon. the Speaker:** Honourable senators, the sitting of the Senate is resumed.

#### REPORT OF COMMITTEE OF THE WHOLE

**Hon. Fernand Robichaud:** Honourable senators, the Committee of the Whole to which was referred the report of the Privacy Commissioner for the period ending March 31, 1998 has asked me to report that the committee has concluded its deliberations.

[English]

## STATE OF FINANCIAL SYSTEM

CONSIDERATION OF REPORT OF BANKING, TRADE AND  
COMMERCE COMMITTEE ON STUDY—DEBATE ADJOURNED

The Senate proceeded to consideration of the seventeenth report (Interim) of the Standing Senate Committee on Banking, Trade and Commerce entitled: "A Blueprint for Change" (Volumes I, II and III), tabled in the Senate on December 2, 1998.

**Hon. Donald H. Oliver**, for Senator Kirby, moved the adoption of the report.

He said: Honourable senators, the past decade has witnessed the beginning throes of the convergence of banking, insurance and funds management into a single financial service marketplace — a North American marketplace if not a global one. What only six years ago was thought to be a stable and level playing field on which regulated and unregulated financial institutions alike could operate has shifted once again. For a second time this decade, we as public policy makers are being challenged to restructure the sector's regulatory framework with a view to rebalance its competitive and prudential profile, knowing full well that the landscape will continue to shift for the foreseeable future and, as the Banking Committee was told by virtually every witness at its hearing, the status quo is not an option.

At the outset I want to make it clear that the MacKay task force did an outstanding job. Charged with the duty of making recommendations for reform of this sector, the task force tackled all of the important issues head on. The Committee on Banking, Trade and Commerce endorses most of the 124 recommendations of the task force but has many recommendations of its own to make.

I wholeheartedly endorse the committee's report. The committee's non-partisan approach led it to draw conclusions and make representations that I believe will leverage the task force work in a way that will obtain what has proven to be an elusive objective — a vibrant, innovative, prudentially sound financial services sector for the beginning of the next millennium.

The committee unequivocally makes the point that competition from tier two financial institutions, such as trust companies, credit unions and the caisses populaires, will not be forthcoming overnight. Instead, it will take from three to five years for effective competition to take hold after the reforms are introduced. We can only hope for speedy implementation of our path-breaking recommendations so as to alleviate the sector's growing pains and establish a solid footing for Canadian firms facing competition from Goliath-like foreign financial institutions in an increasingly global marketplace.

Let me now go over the salient differences between the proposals of the Banking Committee and the MacKay task force. A major thrust of both reports is the fostering of increased competition across the full range of financial services, and particularly in banking services. The committee, however, proposes alternative and, I believe, better ways of achieving this objective, whether this competition comes from existing financial service providers, new home-grown financial services providers, or foreign financial services providers.

I want to focus on two areas of general interest that should not be overlooked — organizational structure and taxation. In terms of the first, your committee has taken a different approach from the task force on ownership rules, grandfathering provisions with respect to these ownership rules for presently non-conforming financial institutions, flexible corporate structures, and accounting rules dealing with the treatment of goodwill involving corporate acquisitions and takeovers. In terms of the second, your committee goes beyond the task force recommendations to eliminate capital taxes and it recommends a reduction in capital gains taxes.

Let us begin by focussing on the ownership question. The MacKay task force recommends three classes of financial institutions based on their equity sizes. Small businesses can be closely held, allowing for as much as 100 per cent ownership in a single individual's hand. For medium-sized firms, a 35 per cent equity float would be required. For large financial institutions, ownership is required to be widely held; that is, no individual or company would be permitted to hold more than 10 per cent of the voting shares of the corporation. This can be increased to 20 per cent with ministerial approval and the passing of a "fit and proper" test, and further on a temporary basis, up to 30 per cent with ministerial approval.

Your committee, on the other hand, would raise the widely held ownership rule for large financial institutions to 20 per cent of voting shares and 30 per cent of all classes of shares.

This recommendation, the Banking Committee felt, will achieve three goals. First, the ownership question will be left to market forces to sort out, not to the Minister of Finance and his department who may be tempted to impose unnecessary hurdles for approval or to cause uncertainty that will adversely impact the company's share price. In these matters, free and unencumbered bidding for title to these assets will best assure their proper allocation to the highest valued uses. Second, it provides greater flexibility for mergers and acquisitions that include share swaps in the transaction. Finally, and most important, large shareholdings will provide a greater incentive for investors to monitor and influence the performance of the financial institution's management. It would also allow investors to take advantage of equity accounting rules that provide more transparency to the investor company's shareholders who, in turn, will have an incentive to exercise indirect influence over the management of the financial institution.



The committee, by adopting this 20 per cent rule and not the 10 per cent rule, distinguishes control from ownership. It is generally recognized by the accounting profession and others that having 20 per cent or more of the voting shares of a company, without anyone else having 20 per cent or more ownership, provides such an owner with a significant influence, but not control, over operational and financial decision making of the firm.

Moreover, equity accounting rules would also apply under these circumstances. The equity accounting method recognizes the profits and losses from an investment, in this case the financial institution, immediately when they occur. That is, they are recorded on a quarterly basis on the investor's financial statements. In contrast, investments of less than 20 per cent use the cost accounting method, whereby the investor's books ordinarily reflect the financial institution's historical purchase price. Under this valuation method, the investor's books do not begin to reflect the operational performance of its investments until extraordinary re-evaluations or write-downs occur.

Obviously, the more timely reporting of financial performance under equity accounting rules provides more transparency to shareholders and would bring to bear more pressure on an investor company's management to influence the performance of the financial institution.

Let us now turn to the issue of financial institutions that do not presently have ownership structures that conform to the proposed structure of the MacKay task force. Specifically, we are talking about the Great-West Life Assurance Company, which is owned and controlled by Power Corporation, and Canada Trust, which is owned and controlled by Imasco.

The MacKay task force would grandfather the present ownership structures of these corporations for as long as the current majority owners possess their respective financial institutions, regardless of the possible graduation of, say, Canada Trust to the larger financial institution class. The task force would further extend the closely held privilege to immediately succeeding owners of these institutions. The Banking Committee would instead grandfather the current ownership structure of these financial institutions, provided they remain in their existing institutional class only. Once Canada Trust graduates to the larger classification, it must, within five years, comply with the ownership rules of that particular class.

The committee would also extend all powers granted to financial institutions of that class, regardless of their ownership structure, that is, whether or not they presently conform or are provided an exemption through the proposed grandfather provision. As for the MacKay task force rule that would extend the closely held privilege to the next owners of these financial institutions upon sale, the committee believes that this would introduce unneeded complexity and be of little value to the current owners.

The committee is of the opinion that its proposed grandfathering provisions will not inhibit Canada Trust's

incentive to grow into the large financial institution class and, at the same time, will provide the Great-West Life Assurance Company similar powers to compete on a level playing field with its larger rivals. Being accorded the ability to acquire the other financial institutions will better equip the Great-West Life Assurance Company to be a more effective rival and can only render the sector more competitive. Furthermore, this proposition offers a more appropriate balance of equity and flexibility than does the MacKay task force proposition.

I now turn to the committee's recommendations on a more flexible organizational corporate structure.

The task force acknowledged that one way to support more competition in the financial services marketplace is to provide financial institutions with the option of using more flexible organizational structures. To this end, the task force recommended that a regulated holding-company structure be available to allow financial institutions to organize their activities.

The committee believes that a holding-company structure could afford a much needed level of flexibility to financial institutions without compromising safety and soundness. A holding-company model would make it easier to separate wholesale and other financial service activities from retail deposit-taking activities that are now possible within the confines of a parent subsidiary model. The ability to separate deposit-taking from other activities would allow for regulation according to the level of risk, making the level of regulation for those activities more closely aligned with the regulation of non-bank competitors.

A holding-company model would also allow subsidiaries of the company to engage in a broader range of financial services. This would make it easier for regulated financial institutions to raise capital, enter into strategic alliances with business partners, and facilitate the grouping of medium-sized financial institutions across different financial pillars.

Our committee proposed a holding-company model.

**Senator Carstairs:** Out of respect for the parliamentary reporter, could the honourable senator slow down just a bit?

**Senator Oliver:** I apologize.

Our committee proposes a holding-company model that is somewhat different from the model proposed in the task force. Like the MacKay task force model, the committee's proposal will be a regulated non-operating financial holding company. The non-retail deposit-taking entities would operate under a regulatory regime geared to the risk associated with their businesses. This would allow the regulated financial holding company to more effectively compete against other financial service providers that offer products and services in an unregulated environment.



For example, in the case of the wholesale financial market segment, where unregulated finance companies operate without CDIC insurance or to the adherence of OSFI's prudential regulations, a non-deposit-taking affiliate of the financial holding company could operate on the same basis, that is, unregulated by OSFI, while at all times allowing OSFI to have access to the information it requires. This feature, the Senate Banking Committee believes, is superior to that of the task force requirement for nuanced regulation, which would not offer any significant benefits to that of the existing parent-subsidiary model.

The last item I wish to comment on in terms of the organizational structure of the sector deals with accounting for business combinations.

Currently, Canada and the United States treat goodwill differently when it comes to business acquisitions and takeovers. The Americans use the pooling-of-interest method, whereby goodwill is not recognized on the purchaser's balance sheet. Canadian accounting rules use the purchase method, whereby the goodwill associated with the combination is valued and is set up as an asset on the balance sheet of the purchaser and is amortized over its useful life. This puts Canadian firms at a competitive disadvantage since share values are determined, at least in part, by market perceptions of their earnings, which, in this case, will be reduced as a result of the acquisition of goodwill.

The banking committee concludes that this differential accounting policy creates a competitive inequity for Canadian financial institutions in a period of integration and consolidation on a North American basis and supports the MacKay task force recommendations to harmonize this different accounting treatment by next year. It would be preferable that the Canadian Institute of Chartered Accountants, through current negotiating channels, be successful in achieving the Canadian accounting standard, which is more transparent and would support more shareholder scrutiny of management's acquisition strategies. However, failing such an agreement with the American accounting profession, OSFI should step in and use its power to specify principles of combinations and accounting for goodwill to the American standard as an interim solution to this problem.

Finally, I will turn to the issue of capital gains. I will omit the reference to capital taxes. The MacKay task force did not address the capital gains issue. This committee did and we recommended that this burden be reduced. The committee strongly supports enhanced borrowing opportunities for small and medium-sized businesses, but it recognizes that, in many cases, there is a more important need for these businesses to acquire equity investment. This is particularly true for the increasingly numerous and important knowledge-based enterprises.

The committee came to the conclusion that one such policy initiative would be to lower the capital gains burden on all businesses, but particularly to encourage the provision of high-equity risk investment to small business by financial institutions and individuals.

Entrepreneurs seeking to start up or expand an enterprise will tell you that a major obstacle is raising capital. The answer to this problem is not a proliferation of government entities, such as the Business Development Bank of Canada siphoning taxpayer funds to fledgling businesses. Rather, what is needed is a financial inducement for the private sector to invest in small and medium-sized businesses.

•(1740)

The committee was told specifically at its hearings that raising the exemption on taxable capital gains and reducing the taxation rate would help small businesses in acquiring equity financing, particularly from successful business people who reinvest some of the profits that they have made into smaller companies.

Moreover, at current capital gains tax rates, there is an unfavourable risk reward relationship in extending equity financing to small and medium-sized businesses. Investors face the downside possibility of losing their entire investment with limited tax benefits, while on the up side they must share a significant portion of their return with the government. They are, therefore, better off making investments in less risky avenues where there exists a better risk-reward trade-off. This committee means to correct this error.

In conclusion, I believe the committee's recommendations, along with those of the MacKay task force, constitute a balanced package of reforms that will provide appropriate ground rules for the sector in the coming years. However, I stress the point that these reforms be treated as a package, and that the government not "cherry-pick" a subset of these recommendations that would add to the regulatory burden on business.

We look forward to working with the government when it introduces legislation to implement the reforms that the report recommends.

**Hon. John B. Stewart:** Honourable senators, I should like to rise on a point of order. I do so in order to obtain some clarification as to where we are in the business of the Senate.

As I understand it, Senator Oliver is asking the Senate to concur in or to adopt the recommendations set forth in the committee's report. Consequently, if we proceed and there is an affirmative vote, these recommendations will become the recommendations of the Senate; is that correct? Is that the position in which we find ourselves?

**The Hon. the Speaker:** Honourable senators, if anyone else wishes to speak on the point of order, I would be pleased to hear them. However, my understanding of the situation is that Senator Oliver, by agreement of the Senate, moved the consideration of the report.

What is presently under discussion is a consideration of the report. There must be a further motion if we are to have the adoption of the report. At the moment, this is simply a debate on the report. Out of that may then come a motion to adopt. At this stage, it is purely for consideration.

**Senator Stewart:** I appreciate that, Your Honour. It is most helpful.

On motion of Senator Oliver, for Senator Tkachuk, debate adjourned.

## NUCLEAR WEAPONS

### RESPONSE OF GOVERNMENT TO REQUESTS AND RECOMMENDATIONS—INQUIRY—DEBATE ADJOURNED

**Hon. Douglas Roche** rose pursuant to notice of February 16, 1999:

That he will call the attention of the Senate to the urgency of the Government of Canada saying "no" to becoming involved in a U.S. missile-defence system; and the need for the Government of Canada to contribute to peace by implementing the 15 recommendations in the report of the Standing Committee on Foreign Affairs and International Trade, *Canada and the Nuclear Challenge: Reducing the Political Value of Nuclear Weapons for the Twenty-first Century*.

He said: Honourable senators, the Senate should be aware of a development that will profoundly alter international relations, cripple disarmament work, and tie Canada inextricably to U.S. ill-conceived military plans. I speak of the U.S. government's current design of a ballistic missile defence shield over North America.

Canadians thought this problem went away when Canada refused the U.S. invitation to participate in the strategic defence initiative known as "star wars," in 1985. SDI was abandoned, but in the 1990s it reappeared as a national missile defence program designed to provide for the interception of long-range missiles targeted on the United States.

A missile defence program for North America is now being promoted, and Canada is inexorably being drawn into the web of U.S. military, industrial, and complex interests. This is being done without the knowledge or consent of the Canadian Parliament and people.

The Government of Canada keeps saying, "Relax, nothing will happen for a long time." Honourable senators, there is plenty to worry about. The time for us to speak out against this retrograde and dangerous proposal is now.

I shall briefly outline the facts. First, discussions are now taking place between the U.S. and Canada on a North American ballistic missile defence system. The U.S. is on track to deploy this system in Alaska and North Dakota, possibly by 2005, and the administration is pumping \$6.6 billion into the project. The time for Canada to decide its course of action is now, on the eve of deployment, not later, when Canada's options will be significantly reduced.

Second, the 1994 defence white paper unfortunately opened the door to Canadian participation, despite a 1985 Canadian government decision not to participate in the U.S. strategic defence initiative research. SDI closed down in the early 1990s and BMD is its successor. The U.S. wants Canada involved in BMD through NORAD.

Third, BMD would violate the 1972 anti-ballistic missile treaty, known as the ABM, which forbids a nationwide missile defence system. The ABM treaty is an essential part of nuclear arms control. It has long been recognized that constructing such national defences, leaving aside the improbability of their working, would spur opposing nations to develop new offensive weapons to circumvent defence systems. Thus, the nuclear arms race would continue to accelerate.

Fourth, the U.S. recognizes that BMD would violate the existing ABM, and has suggested to Russia that the ABM be renegotiated. Russia has so far adamantly refused, and has threatened to stall the START II process even further if BMD is proceeded with. The Chinese government has warned that a new nuclear arms race will break out in Asia.

Fifth, the Canadian government said in 1995 that it opposed abrogating or weakening the ABM, calling it absolutely essential for the maintenance of international nuclear security. In 1996, the government added:

...Canada remains firmly committed to the 1972 ABM treaty.

Sixth, the Canadian government has consistently said it will work for the continued development of international law. To join in the process of weakening or abrogating the ABM to satisfy the demands of the U.S. military system, which has not lost its appetite for expansion even though the Cold War ended nearly a decade ago, would greatly endanger Canada's credibility in arms control and disarmament work. Canada must speak now. By signalling that Canada is open to the idea, the Department of National Defence is encouraging the U.S. to proceed on the assumption that Canada will be involved.

Seventh, U.S. proponents claim that the BMD will protect the continent against the incoming missiles of rogue states.

•(1750)

BMD is a bad idea because it presumes a potential attacker would develop an extremely expensive delivery technology when it could more easily and reliably deliver a bomb in a commercial airliner or shipping container — methods a BMD would be powerless to stop.

Honourable senators, Canadian interests in the NORAD agreement are being compromised through U.S. action. NORAD was not meant to be a ballistic missile defence system. Yet NORAD is being used as the instrument to jump-start U.S. ability to fight space wars of the 21st century. U.S. military interests are playing on fears of a ballistic missile attack on North America by some rogue state or terrorist and have even conjured up the ludicrous spectacle of North Korea launching a ballistic



missile attack on Montreal. The U.S. ambassador to Canada has joined in this softening-up approach to getting Canada's compliance by references to the needs of our two countries to stick together against vague enemies of the future.

We must realize what is happening. The U.S. is extending its military capacity in order to be the militarily dominant nation of the 21st century and to secure this power by a comprehensive system of surveillance and communications technologies. Is putting such immense power in the hands of a single state in the best interests of international peace and security? Is abrogating the ABM treaty justified by such an inordinate quest for power? Is Canada, which campaigned hard for a seat on the UN Security Council in order to bring forward new ideas for peace and security, served by tying ourselves to a military machine out of order?

The Canadian government has got to stop saying, "Don't worry; be happy." Every month that goes by without the government speaking out firmly against participation in a ballistic missile defence system allows the U.S. government to interpret our silence as tacit acceptance. Then when the system is about to be deployed, it will be too late for us to pull out. Moreover, putting \$600 million of Canadian taxpayers' money into this ill-conceived venture would be an unconscionable affront to every Canadian who needs improved health, education and social care.

The correct answer to what BMD seeks to accomplish, namely the security of North America, is to pursue, as called for by the International Court of Justice, comprehensive negotiations leading to the elimination of nuclear weapons. Significant progress in this respect has been made in recent years. This process is now jeopardized by BMD.

As a prestigious U.S. National Academy of Science has concluded in its 1997 report entitled, "The Future of U.S. Nuclear Weapons Policy":

...deploying missile defences outside the bounds of the ABM Treaty could greatly diminish the prospects for future reductions in nuclear weapons.

That is cautious language for what should be stated frankly: We can kiss goodbye to nuclear disarmament if BMD proceeds. If strategic arms control collapses, the non-proliferation treaty which Canada has always championed will be in ruins.

Now is the time to debate this matter. Now is the time to inform the public. Now is the time to obtain the consent of the Canadian Parliament.

Honourable senators, on the basis of my experience in personally meeting with hundreds of informed Canadians in all 10 provinces on nuclear weapons issues, I contend that the Canadian public opposes the madness of a missile defence system. The Canadian government knows there is little support for this system. Why then dally?

The government should couple its resistance to missile defence with a vigorous implementation of the 15 recommendations in

the report of the Standing Senate Committee on Foreign Affairs and International Trade entitled "Canada and the Nuclear Challenge: Reducing the Political Value of Nuclear Weapons For the Twenty-First Century." This report has rightly pointed the way for Canada to work with like-minded states in pressing the nuclear weapon states to make an unequivocal commitment to commence negotiations leading to the elimination of nuclear weapons. The committee wants Canada to argue within NATO for less reliance on nuclear weapons so the way can be cleared for NATO nuclear states to pledge no first use of nuclear weapons and to put their nuclear weapons on de-alert status.

That would be a positive contribution by Canada to enhancing peace and security in the world. That is the way forward — providing confidence-building measures and hope for the Canadian people who want an end to nuclear weapons.

On motion of Senator Prud'homme, debate adjourned.

## BUSINESS OF THE SENATE

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, before Senator Kinsella begins, I think he will go past six o'clock. I think there is agreement on both sides not to see the clock, as this is the final item for today.

**The Hon. the Speaker:** Honourable senators, is it agreed that I do not see the clock?

**Hon. Senators:** Agreed.

## HUSTLER MAGAZINE

MOTION CONDEMNING ARTICLE CONCERNING  
MINISTER OF CANADIAN HERITAGE ADOPTED

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition),** pursuant to notice of February 16, 1999, moved:

That the Senate of Canada finds unacceptable and rejects the article and contest dealing with a Member of Parliament as published in the February 1999 Canadian edition of *Hustler Magazine*; and

That a Message be sent to the House of Commons requesting that House support the contents of the aforementioned motion.

He said: Honourable senators, mindful of the hour of the day, I will attempt to be brief on this motion which I trust will receive of the unanimous support of all members of this house.

Some students of human rights have argued that the rights of freedom of the press, freedom of expression, freedom of opinion, and the right to participate in public affairs are the mothers of all other rights. A democracy, to be active, makes freedom of speech the centre of its unconstitutional agenda and the right to participate in public affairs the engine of the practice of freedom.



History, however, has silenced women. For centuries it is men who have governed. It is men who have spoken, written and communicated with each other. Women had been subject to men's construction of history and their symbolic expressions. Institutions, words, language, images and the system of communication had an in-built prejudice in that they gave expression to the symbolic, material world dominated by men.

Today, as we approach the third millennium, we happily see a change. Women are at the centre in the practice of freedom and democracy and they have been writing their own histories and communicating their own ideas. The monopoly over language and political participation has been broken, but it is still an uphill struggle for women in the private and public sectors of our society.

This ongoing struggle is an act of excavation, removing centuries of assumptions and expectations by putting forward the contemporary Canadian imperative of women's freedom of expression, especially in Parliament, free from any fetter and, in particular, the fetter of lewd, pornographic, sexist *Hustler* magazine hype.

Honourable senators, in her work entitled, *Only silence will protect you: Women, Freedom of Expression and the Language of Human Rights*, the author Jan Bauer reminds us that, in early common law, there was a type of offender known as the common scold and the scold's bridle or brank, a cage-like device which enclosed a woman's head and which was used on women who spoke out on public affairs.

Believe it or not, honourable senators, a few centuries back, it was not uncommon that women who spoke too much had their tongues cut out.

•(1800)

In today's society, of course, the "scold's bridle" is not used, but there are other techniques or practices which diminish both the voices and roles of women in society, as well as attitudes and customs that sustain a climate in which it is clearly signalled to women that their main functions are to remain silent and obey the commands of men.

Women have in the past, and today continue to reject the argument that silence is their only protection. It is to the credit of Agnes Campbell MacPhail that women are members of the other place, and to the credit of the women involved in the Persons Case that the Senate of Canada now has the benefit of many distinguished colleagues. These women in the Parliament of Canada know only too well that throughout the ages, left to their own devices and cosy in their solidly constructed institutions, men would not voluntarily have accorded women the rights owed to them, whether in Parliament or outside Parliament. This is not to attribute ill-will to anyone, but rather to speak to the reality of systemic or institutional discrimination.

This is why, for example, a number of years ago I had the opportunity to take the *Lovelace* case against Canada to the

United Nations. We were thereby able to repeal section 12(1)(b) of the Indian Act, which provided for legislative discrimination against Indian women who married non-Indians. The institutions are the systems through which society's function must be adapted or changed to reflect the fact that women's experiences are different from men's definitions of them. The rules of this place and the precedents of Parliament, particularly the precedents of Parliament to be found in the procedural literature, are the history of a different era and limited in serious ways, frankly, by man's interpretations.

The Parliament of the third millennium, honourable senators, must be reflective of the systemic and institutional change which has been occurring since Agnes Campbell MacPhail first took her seat in Parliament. We need to recognize the systemic nature of the traditional male interpretation, historically, of the parliamentary rights and privileges of its members. This reliance on tradition has the unintended effect of directly and indirectly contributing to a devaluation of the woman parliamentarian.

Women working in public affairs in our country are targeted, and there is a growing body of documentation that demonstrates the degree to which such targeting caused women not to partake in public affairs or to exercise their freedom of expression. Jan Bauer writes:

This fear is most often articulated during discussions of violence against women generally and rape in particular. The fear not only reflects concern over the possibility of physical retaliation but is directly linked to customs that lead to the social exclusion, marginalization and stigmatization of women.

The Canadian Panel on Violence Against Women stated that:

Canadian women have not enjoyed freedom of expression; rather, their fear makes them reluctant to speak out about the violence they experience. Canadian institutions have contributed to this situation — by denying that such violence can exist, they have supported misogyny and abuse of power.

The *Hustler* magazine item, in my judgment, is a classical example of interference with women parliamentarians by making one the object of a lewd contest. Parliament, as an institution, must not contribute to this attack on the freedom of expression in the exercise of a woman parliamentarian's duties. By remaining silent, Parliament would be giving silent support to misogyny and the abuse of Parliament.

It is important that we recognize in contemporary modern terms, given our understanding of these institutional and systemic dynamics, that this kind of publication does interfere in a manner that is sex-specific, and that it can interfere with women parliamentarians in a manner in which it cannot interfere with male parliamentarians. Nevertheless, it is an interference with parliamentarians, and that is the critical issue that speaks to my finding this great institutional offence of this particular item.

Parliament has in the recent past been passing legislation which has drawn our attention to the language in which the statutes have been written. Only just a few days ago our colleague Senator Maheu, Chairman of the Standing Committee on Privileges, Standing Rules and Orders, brought in a report that spoke to the correction of language and was based on our understanding and sensitivity to, and demand for, language inclusivity.

All students of human rights know that words have power, and can either do good or harm. Women know that words can include or exclude, and that language defines the norm. Women know that the distinctly masculine cast of much legal language and other instruments explicitly supports the male as the norm, in spite of the provisions that theoretically guarantee equality for all.

Honourable senators, we have in Parliament an opportunity to have the rules of Parliament reflect a framework of parliamentary practice which would be more representative and inclusive of women's needs and concerns. The United Nations Convention on the Elimination of All Forms of Discrimination Against Women defines areas in which women most often experience discrimination in both law and in practice. We must guarantee women the right to be eligible for election to all publicly elected bodies and appointment to all public offices on equal terms with men. We note that they must be entitled to hold public office and to exercise all public functions on equal terms. When women members of Parliament are made the subject of a lewd sex competition in a manner which is woman-specific, then there is a direct interference with the exercise of their public functions on equal terms with men in Parliament.

Honourable senators, I could speak to many international reports and a vast body of available literature that underscores and explains how and why pornographic publications interfere in very specific ways with freedom and liberty in our society. For example, *Undressing the Canadian State, the Politics of Pornography* by Catherine Itzin is but one document. From that document I will conclude with a quote in which the author writes:

The part played by pornography in the subordination of women has been unacknowledged, underestimated or ignored. But it is part of the picture, part of the apparatus of oppression which contributes to constructing and maintaining the sexual subordination of women.

Honourable senators, we are not unaware of these dynamics. We do not want this offensive occasion caused by the publication of which I speak to pass without rising and seeking the support of all parliamentarians in this chamber and in the other place. Parliamentarians in the Parliament of Canada, in the words of the Speaker in his ruling the other day, must reject that kind of presentation. It is not the Canadian way.

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I rise today to support the motion that has been put before the Senate by the Honourable Senator Kinsella and to offer my personal thanks to him for so

eloquently expressing some of the difficulties that women who have chosen to enter public life have been forced to experience. I will now be a little personal for a few minutes about what some of these experiences have been.

I first entered public life when I was a candidate in Alberta. Senator Taylor was then the leader back in 1975. I remember knocking on doors and being told that I should be home looking after my children. What they did not know was that the Liberal Party in Alberta in those days was not a very vibrant organization and my little children were outside with me while we were knocking on those doors because I did not want to deny myself the opportunity of spending the time door-to-door with those children.

When I entered public life in a more serious way, when I became leader of the Liberal Party in Manitoba in 1984, I began to experience, on a first-hand basis, the kind of personal comments that are made about women politicians but are not made about male politicians — some of which I could laugh at. I must be honest. I have been told that I am living proof that Donald Duck had offspring. Clearly, that is a comment on my voice. I can accept that my voice is probably not the most delicate piece of vocal equipment that anyone has ever had. Some of it is a result of family characteristics and some of it is a result of having been raised in the Maritimes. I guess I still have that bit of Maritime twang that goes along with it.

I also found myself quickly subjected to criticism on everything from the way I had my hair done to the fact that I was letting it go grey and why did I not colour it — after all, 70 per cent of all women colour their hair. What was wrong with me? The fact that I wanted to make a personal choice about that did not seem to be acceptable to some individuals.

I have daughters. Perhaps the saddest part of all for me was that both of them, having witnessed what their mother experienced, are not the slightest bit interested in entering public service. I think that is the real tragedy. I accepted the challenge of public service because my father had been in public service. I thought it was something that I should do at a certain stage in my life. However, my two daughters have no interest in public service whatsoever because of the experiences that they saw their mother go through. To me, that is a tragic set of affairs.

There are many days when I think things are getting better and that no one else will talk about a helium-driven voice. Yet I picked up a newspaper article just last week and there was a reference to the Honourable Anne McLellan and her helium-induced voice. I thought: Here we are some 15 years later and nothing has changed!

I do think, however, that some things have changed for the better. The very fact that women now make up 31 per cent of this chamber is obviously a step in the right direction. That there are more women in the House of Commons than ever before is also a step in the right direction. The fact that there are more women in legislatures across the country is also a step in the right direction. Clearly, with all the difficulties that they know they may have to face, they are still accepting the challenge.



Then, honourable senators, I also think things are worse. We notice and we observe — and, quite frankly, I could not bring myself to read the article in *Hustler* magazine after I saw both the headlines and the pictures — that a minister of the Crown is used in an extraordinarily offensive way by someone who is trying to sell a magazine. I have to believe that that degradation is not the norm and that it is, for almost all of us, an unacceptable means of speaking about a female person. I have to believe that the views expressed in that magazine are minority views, not majority views. I have to believe that things will be better for my daughters and, I hope some day, my granddaughters. I have to believe that. To be honest with you, I could not get up and function every day if I did not think that things were going to be better for them.

I read about the early experiences of some of our women in politics. Senator Kinsella made reference to Agnes MacPhail. Her first battle in the House of Commons was not her fight for the rights of those who had been imprisoned, although that was certainly a fundamental part of her fight. Her first fight, believe it or not, was whether or not she had the right not to wear a hat on the floor of the House of Commons. That was the first fight that she had to go through because women in the gallery had to wear hats. There had never been a woman on the floor of the House of Commons. Therefore, it was assumed that she would have to wear a hat on the floor of the House of Commons.

The first battle for Cairine Wilson, the very first woman senator in this chamber, was what to wear to be sworn in? The ideas were that she should be dressed in a formal evening gown in order to be sworn in to this chamber. She decided on a business suit for the occasion and, therefore, made it a lot easier for all of us.

I look at those kinds of fights. We fought all those fights, so they are in the past. Other women will not have to fight those fights.

I take the entire history of women's involvement in Canadian politics and I say to you that it is better. It will get even better. This is an aberration. We must condemn it as such. We must insist that women enter politics on an equal basis with males so that all views can be adequately represented in all the legislative chambers of Canada.

**Hon. Senators:** Hear, hear!

**Hon. Anne C. Cools:** Honourable senators, I rise in support of this motion. I would like to thank Senator Kinsella for bringing it forward. Obviously, I will be voting for it.

I would like to thank Senator Carstairs on my side and the leadership on the other side for supporting it. It is my hope that when the vote takes place in a little while that it will be a unanimous vote because I think a unanimous vote will be a fine and splendid statement for us to make.

As I said in my remarks on February 2, 1999, I supported Senator Kinsella's question of privilege. *Hustler* magazine's depiction of Sheila Copps is an offensive and vile piece of obscenity. It is unjustifiable by any defence of freedom of the

press or freedom of expression because there is no expression and there was very little that was written. It was just an ugly and indefensible depiction of Minister Copps.

As I said before, it was a piece of vulgarity which was aimed at achieving an outcome. Thus, it was a piece of vulgarity with a purpose. In my opinion, that outcome was the embarrassment of Minister Sheila Copps and the intimidation of her political and parliamentary actions, as embodied and contained in Minister Copps' Bill C-55.

•(1820)

That bill will be coming before us shortly, and at that time I plan to visit this issue more substantially because, as we can see, the time is late and we must be moving along today.

I re-emphasize the point that Bill C-55 is a bill of the Parliament of Canada. It is a proceeding of the Parliament of Canada that has been impeached and degraded.

A degradation of Minister Copps is a degradation of all of us. It is a degradation of public service. I would also add that an immorality against Minister Copps offends all of us because it is an immorality against each and every one of us. It is an immorality against the Parliament of Canada and against public service.

Honourable senators, many are intimidated or impaired in the face of the assaults that seem to be coming fast and furiously in today's community. The assaults are coming faster than many of us can mentally process and respond to. In this particular instance, I cannot help but feel that we are doing the right thing, because I happen to know for a fact that Minister Copps was personally very offended by this particular publication.

I feel privileged that, by having Senator Kinsella bring forward his initiative and by having Senator Carstairs and myself speak to it, we are beginning to shed some light in a huge darkness around many issues that need a lot of clarification.

In my remarks on February 2, I was trying to refer to a particular incident and I said at that time that I was not sure if it was 1975 or 1976. According to Hansard, the incident was on Wednesday, December 22, 1976. The issue was a question of privilege, and the offending newspaper was *The Globe and Mail*. The member of the House of Commons who was offended was none other than the Speaker himself, James Jerome. Our former leader here, the Honourable Allan J. MacEachen, on December 22, 1976, with the agreement of Mr. Walter Baker, who was the House Leader of the Conservatives, and of Mr. Stanley Knowles and Mr. Gauthier (Roberval), rose, moved, and passed, unanimously, a motion in the House of Commons that said:

That the statement "Let it be said of James Jerome that he is not a Speaker but a gambler who plays incredible odds for the popularity of his party" contained in the editorial in the *Globe and Mail* on December 22, 1976, is a gross libel on Mr. Speaker, and that the publication of the article is a gross breach of the privileges of this House.



I put that on the record today so that colleagues can know that, in 1976, our own Senator MacEachen moved a motion without debate, with unanimous consent, on the issue of a breach of privilege.

This is an issue I plan to revisit. I do not see this *Hustler* matter totally as a gender issue. I see it as even larger than the peculiar historical aspects that have been raised. I see it profoundly in terms of morality and ethics as they marry the definition of what is fitting in debate.

I think one of the finest things Mr. Bruce Phillips did earlier was that he talked about tastelessness and scruples and ethics. We are now living in an era where, in raising these issues, one is placing oneself at a certain kind of risk of perhaps being considered old-fashioned or conservative. There is a new language developing in this country. Conservative? I have never thought of myself as a Conservative. It would be an interesting perception, but I do not think of myself as a Conservative.

In any event, I thank Senator Carstairs from the bottom of my heart for supporting us. It would be my wish that Minister Copps could know how we in this chamber really feel about this and that we have sent a strong message to the master pornographers in the United States of America, including Mr. Flynt, that this type of thing will not be tolerated by the Senate of Canada.

[Translation]

**Hon. Marcel Prud'homme:** Honourable senators, I am certain that if my colleague Senator Roche were present, he would want to take part, if only briefly, in this debate.

I wish to support the motion by Senator Kinsella and reiterate the words of Senator Carstairs. I knew her in Alberta and then in Manitoba.

[English]

It is a long story between Senator Carstairs and me. I spoke in one of her classrooms, in Alberta, not in Manitoba where she became so well known. That goes back a long time.

I want to join in what Senator Cools has also said. I share her words about Minister Copps.

I have had a long association with Minister Copps. I ran as chairman of the national Liberal caucus and there was no opposition. It was delayed for three months until someone suggested to Minister Copps that she take me on. Of course, I said, "Sheila, I will have fun. I am not running against you. Let us fight." It was quite a fight because she is a fighter. I do not have to explain the outcome today.

Even though I won the contest, some years later I did not hesitate to support her. It was a very difficult situation, and I say that in front of my friend Senator Mercier. The Montreal Liberal Saint-Denis Association was the only non-aligned delegation for

the entire convention, and we only decided in Calgary which candidate we were going to support. Of course, our decision was not very good for my career. We gave Sheila Copps 14 votes on the first ballot. I want to say that publicly.

Politics has always been very important in my family. I am glad to say that my father and mother understood independence. I can relate to what Senator Carstairs said. It is clear in my mind, in 1944 my mother had been doing her bit to advance the rights of women to vote, and guess what? On the same night, on the same corner of Beaubien and Saint-Denis, my mother was on the main stage with André Laurendeau and the Bloc populaire canadien while my father was across the street presiding over the Liberal gathering. Many people said to my father, "What is wrong with your wife? Can you not talk to her? She is going against your decision?" My father said, "She fought for the vote and now she is voting that way," and that was the end of the story.

Many of you know my family, and if our society would have been fair and right for women, one of my sisters who would have been in politics before me because I was younger than she, but that was not to be. People say a woman should help politicians but not be politicians.

I use this opportunity to say that I have great admiration for that gutsy lady called Sheila Copps. She is full of courage, we all know that. It is not necessary to expand on that tonight. We may agree or disagree at times, but she always tries to do what she thinks is best.

En passant, we should get our act together here in the Senate to decide how to answer one of the members of the House of Commons who is viciously attacking the Senate, because it is not helping the entirety of the Senate. Senator Carstairs said herself that there are now 31 women in the Senate. Under Jean Chrétien, we may have more before long, before the millennium. Is it because women are better represented in the institution that the institution is coming under attack now? I have to ask myself that question.

•(1830)

I believe reform of the Senate, like reform of the House of Commons, is a highly debatable issue. Just because you want change, you do not need to be vulgar about it. Change will take place.

Everywhere I go, I am proud to say that we now have 31 women in the Senate, and we should have more. When I arrived in the House of Commons, there were two women, and there are now 63. That is still not enough. When I arrived here 35 years ago, there was only one woman in the Senate. There are now 31.

We should continue to fight. I am sure Senator Roche wanted to support Senator Kinsella's resolution, and I fully agree with it.

**The Hon. the Speaker:** If no other honourable senator wishes to speak, I will proceed with the motion.

It was moved by the Honourable Senator Kinsella, seconded by the Honourable Senator DeWare:

That the Senate of Canada finds unacceptable and rejects the article and contest dealing with a Member of Parliament as published in the February 1999 Canadian edition of *Hustler* Magazine; and

That a Message be sent to the House of Commons requesting that House support the contents of the aforementioned motion.

Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to.

## ADJOURNMENT

Leave having been given to revert to Government Notices of Motions:

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(h), I move:

That when the Senate adjourns today, it do stand adjourned until Tuesday, March 2, 1999, at 2 p.m.

**The Hon. the Speaker:** Is leave granted, honourable senators?

**Hon. Senators:** Agreed.

Motion agreed to.

The Senate adjourned until Tuesday, March 2, 1999, at 2 p.m.





**THE SENATE OF CANADA**  
**PROGRESS OF LEGISLATION**  
**(1st Session, 36th Parliament)**  
**Thursday, February 18, 1999**

**GOVERNMENT BILLS**  
**(SENATE)**

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
S-2	An Act to amend the Canadian Transportation Accident Investigation and Safety Board Act and to make a consequential amendment to another Act (Sen. Graham)	97/09/30	97/10/21	Transport and Communications	98/04/02	four	98/05/27	98/06/18	20/98
S-3	An Act to amend the Pension Benefits Standards Act, 1985 and the Office of the Superintendent of Financial Institutions Act (Sen. Graham)	97/09/30	97/10/21	Banking, Trade and Commerce	97/11/05	seven	97/11/20	98/06/11	12/98
S-4	An Act to amend the Canada Shipping Act (maritime liability) (Sen. Graham)	97/10/08	97/10/22	Transport and Communications	97/12/12	three	97/12/16	98/05/12	06/98
S-5	An Act to amend the Canada Evidence Act and the Criminal Code in respect of persons with disabilities, to amend the Canadian Human Rights Act in respect of persons with disabilities and other matters and to make consequential amendments to other Acts (Sen. Graham)	97/10/09	97/10/29	Legal and Constitutional Affairs	97/12/04	one	97/12/11 Senate agreed to Commons amendments 98/05/06	98/05/12	09/98
S-9	An Act respecting depository bills and depository notes and to amend the Financial Administration Act (Sen. Graham)	97/12/03	97/12/12	Banking, Trade and Commerce	98/02/24	one	98/03/19	98/06/11	13/98
S-16	An Act to implement an agreement between Canada and the Socialist Republic of Vietnam, an agreement between Canada and the Republic of Croatia and a convention between Canada and the Republic of Chile, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income	98/05/05	98/05/12	Foreign Affairs	98/05/28	none	98/06/02	98/12/03	33/98
S-21	An Act respecting the corruption of foreign public officials and the implementation of the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, and to make related amendments to other Acts	98/12/01	98/12/03	Whole	98/12/03	one at 3rd	98/12/03	98/12/10	34/98
S-22	An Act authorizing the United States to preclear travellers and goods in Canada for entry into the United States for the purposes of customs, immigration, public health, food inspection and plant and animal health	98/12/01	99/02/11	Foreign Affairs					

S-23	An Act to amend the Carriage by Air Act to give effect to a Protocol to amend the Convention for the Unification of Certain Rules Relating to International Carriage by Air and to give effect to the Convention, Supplementary to the Warsaw Convention, for the Unification of Certain Rules Relating to International Carriage by Air Performed by a Person Other than the Contracting Carrier	98/12/10	99/02/03	Transport and Communications
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**GOVERNMENT BILLS  
(HOUSE OF COMMONS)**

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
C-2	An Act to establish the Canada Pension Plan Investment Board and to amend the Canada Pension Plan and the Old Age Security Act and to make consequential amendments to other Acts	97/12/04	97/12/16	Committee of the whole 97/12/17	97/12/17	none	97/12/18	97/12/18	40/97
C-3	An Act respecting DNA identification and to make consequential amendments to the Criminal Code and other Acts	98/09/30	98/10/22	Legal and Constitutional Affairs	98/12/08	none	98/12/09	98/12/10	37/98
C-4	An Act to amend the Canadian Wheat Board Act and to make consequential amendments to other Acts	98/02/18	98/02/26	Agriculture and Forestry	98/05/14	five	98/05/14	98/06/11	17/98
C-5	An Act respecting cooperatives	97/12/09	97/12/16	Banking, Trade and Commerce	98/02/24	none	98/02/25	98/03/31	01/98
C-6	An Act to provide for an integrated system of land and water management in the Mackenzie Valley, to establish certain boards for that purpose and to make consequential amendments to other Acts	98/03/18	98/03/26	Aboriginal Peoples	98/06/09	none	98/06/18	98/06/18	25/98
C-7	An Act to establish the Saguenay-St. Lawrence Marine Park and to make a consequential amendment to another Act	97/11/25	97/12/02	Energy, Environment and Natural Resources	97/12/09	none	97/12/10	97/12/10	37/97
C-8	An Act respecting an accord between the Governments of Canada and the Yukon Territory relating to the administration and control of and legislative jurisdiction in respect of oil and gas	98/03/17	98/03/25	Aboriginal Peoples	98/03/31	none	98/04/01	98/05/12	05/98
C-9	An Act for making the system of Canadian ports competitive, efficient and commercially oriented, providing for the establishing of port authorities and the divesting of certain harbours and ports, for the commercialization of the St. Lawrence Seaway and ferry services and other matters related to maritime trade and transport and amending the Pilotage Act and repealing and repealing other Acts as a consequence	97/12/09	98/03/26	Transport and Communications	98/05/13	none	98/05/28	98/06/11	10/98

C-10	An Act to implement a convention between Canada and Sweden, a convention between Canada and the Republic of Lithuania, a convention between Canada and the Republic of Kazakhstan, a convention between Canada and the Republic of Iceland and a convention between Canada and the Kingdom of Denmark for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and to amend the Canada-Netherlands Income Tax Convention Act, 1986 and the Canada-United States Tax Convention Act, 1984	97/12/02	97/12/08	Banking, Trade and Commerce	97/12/09	none	97/12/10	97/12/10	38/97
C-11	An Act respecting the imposition of duties of customs and other charges, to give effect to the International Convention on the Harmonized Commodity Description and Coding System, to provide relief against the imposition of certain duties of customs or other charges, to provide for other related matters and to amend or repeal certain Acts in consequence thereof.	97/11/19	97/11/27	Banking, Trade and Commerce	97/12/04	none	97/12/08	97/12/08	36/97
C-12	An Act to amend the Royal Canadian Mounted Police Superannuation Act	98/04/28	98/04/30	Social Affairs, Science & Technology	98/06/04	none	98/06/08	98/06/11	11/98
C-13	An Act to amend the Parliament of Canada Act	97/10/30	97/11/05	Legal and Constitutional Affairs	97/11/06	none	97/11/18	97/11/27	32/97
C-15	An Act to amend the Canada Shipping Act and to make consequential amendments to other Acts	98/05/05	98/06/03	Transport and Communications	98/06/10	none	98/06/11	98/06/11	16/98
C-16	An Act to amend the Criminal Code and the Interpretation Act (powers to arrest and enter dwellings)	97/11/18	97/12/11	Legal and Constitutional Affairs	97/12/16	none	97/12/17	97/12/18	39/97
C-17	An Act to amend the Telecommunications Act and the Teleglobe Canada Reorganization and Divestiture Act	97/12/09	98/02/24	Transport and Communications	98/03/25	none	98/04/29	98/05/12	08/98
C-18	An Act to amend the Customs Act and the Criminal Code	98/02/10	98/02/18	Legal and Constitutional Affairs	98/04/02	none	98/04/28	98/05/12	07/98
C-19	An Act to amend the Canada Labour Code (Part I) and the Corporations and Labour Unions Returns Act and to make consequential amendments to other Acts	98/05/26	98/06/08	Social Affairs, Science & Technology	98/06/18	none	98/06/18	98/06/18	26/98
C-20	An Act to amend the Competition Act and to make consequential and related amendments to other Acts	98/09/24	98/11/17	Banking, Trade and Commerce	98/12/03	none + two at 3rd	98/12/10 Commons amendments referred to Committee 99/02/11	98/12/10 Commons amendments referred to Committee 99/02/11	
C-21	An Act to amend the Small Business Loans Act	98/03/19	98/03/25	Banking, Trade and Commerce	98/03/26	none	98/03/31	98/03/31	04/98



C-22	An Act to implement the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction	97/11/25	97/11/26	97/11/26	Foreign Affairs	97/11/27	none	97/11/27	97/11/27	33/97
C-23	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1998	97/11/26	97/12/04		—	—	—	97/12/08	97/12/08	35/97
C-24	An Act to provide for the resumption and continuation of postal services	97/12/02	97/12/03	97/12/03	Committee of the whole	97/12/03	none	97/12/03	97/12/03	34/97
C-25	An Act to amend the National Defence Act and to make consequential amendments to other Acts	98/06/11	98/06/18	98/11/24	Legal and Constitutional Affairs	98/11/24	one	98/12/01	98/12/10	35/98
C-26	An Act to amend the Canada Grain Act and the Agriculture and Agri-Food Administrative Monetary Penalties Act and to repeal the Grain Futures Act	98/06/08	98/06/16	98/06/18	Agriculture and Forestry	98/06/18	none	98/06/18	98/06/18	22/98
C-28	An Act to amend the Income Tax Act, the Income Tax Application Rules, the Bankruptcy and Insolvency Act, the Canada Pension Plan, the Children's Special Allowances Act, the Companies' Creditors Arrangement Act, the Cultural Property Export and Import Act, the Customs Act, the Customs Tariff, the Employment Insurance Act, the Excise Tax Act, the Federal-Provincial Fiscal Arrangements Act, the Income Tax Conventions Interpretation Act, the Old Age Security Act, the Tax Court of Canada Act, the Tax Rebate Discounting Act, the Unemployment Insurance Act, the Western Grain Transition Payments Act and certain Acts related to the Income Tax Act	98/04/28	98/05/12	98/06/04	Banking, Trade and Commerce	98/06/04	none	98/06/16	98/06/18	19/98
C-29	An Act to establish the Parks Canada Agency and to amend other Acts as a consequence	98/06/03	98/06/15		Energy, the Environment and Natural Resources	98/10/20	none	98/11/19	98/12/03	31/98
C-30	An Act respecting the powers of the Mi'kmaq of Nova Scotia in relation to education	98/06/11	98/06/16	98/06/18	Aboriginal Peoples	98/06/18	none	98/06/18	98/06/18	24/98
C-31	An Act respecting Canada Lands Surveyors	98/05/07	98/05/26	98/06/09	Energy, the Environment and Natural Resources	98/06/09	none	98/06/10	98/06/11	14/98
C-33	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1998	98/03/18	98/03/25		—	—	—	98/03/26	98/03/31	02/98
C-34	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1999	98/03/18	98/03/26		—	—	—	98/03/31	98/03/31	03/98
C-35	An Act to amend the Special Import Measures Act and the Canadian International Trade Tribunal Act	98/12/07	99/02/17		Foreign Affairs					
C-36	An Act to implement certain provisions of the budget tabled in Parliament on February 24, 1998	98/05/28	98/06/08	98/06/15	National Finance	98/06/15	none	98/06/17	98/06/18	21/98
C-37	An Act to amend the Judges Act and to make consequential amendments to other Acts	98/06/11	98/09/22	98/10/22	Legal and Constitutional Affairs	98/10/22	eight	98/11/04	98/11/18	30/98

C-38	An Act to amend the National Parks Act (creation of Tukut Nogait National Park)	98/06/17	98/06/17	Energy, the Environment and Natural Resources	98/12/01	none	98/12/10	98/12/10	39/98
C-39	An Act to amend the Nunavut Act and the Constitution Act, 1867	98/06/03	98/06/08	Aboriginal Peoples	98/06/09	none	98/06/10	98/06/11	15/98
C-40	An Act respecting extradition, to amend the Canada Evidence Act, the Criminal Code, the Immigration Act and the Mutual Legal Assistance in Criminal Matters Act and to amend and repeal other Acts in consequence	98/12/02	98/12/10	Legal and Constitutional Affairs					
C-41	An Act to amend the Royal Canadian Mint Act and the Currency Act	98/12/02	98/12/09	National Finance	99/02/18	none			
C-42	An Act to amend the Tobacco Act	98/12/02	98/12/08	Legal and Constitutional Affairs	98/12/10	none	98/12/10	98/12/10	38/98
C-43	An Act to establish the Canada Customs and Revenue Agency and to amend and repeal other Acts as a consequence	98/12/08	99/02/10	National Finance					
C-45	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1999	98/06/10	98/06/16	—	—	—	98/06/17	98/06/18	28/98
C-46	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1999	98/06/10	98/06/16	—	—	—	98/06/17	98/06/18	29/98
C-47	An Act to amend the Parliament of Canada Act, the Members of Parliament Retiring Allowances Act and the Salaries Act	98/06/11	98/06/16	Banking, Trade and Commerce	98/06/17	none	98/06/18	98/06/18	23/98
C-51	An Act to amend the Criminal Code, the Controlled Drugs and Substances Act and the Corrections and Conditional Release Act	98/11/18	98/12/03	Legal and Constitutional Affairs					
C-52	An Act to implement the Comprehensive Nuclear Test-Ban Treaty	98/10/20	98/10/28	Foreign Affairs	98/11/18	one	98/11/24	98/12/03	32/98
C-53	An Act to increase the availability of financing for the establishment, expansion, modernization and improvement of small businesses	98/11/25	98/12/02	Banking, Trade and Commerce	98/12/08	none	98/12/09	98/12/10	36/98
C-57	An Act to amend the Nunavut Act with respect to the Nunavut Court of Justice and to amend other Acts in consequence	98/12/07	98/12/10	Legal and Constitutional Affairs	99/02/18	none			
C-58	An Act to amend the Railway Safety Act and to make a consequential amendment to another Act	99/02/02	99/02/11	Transport and Communications					
C-59	An Act to amend the Insurance Companies Act	98/12/10	99/02/04	Banking, Trade and Commerce	99/02/16	none	99/02/18		
C-60	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1999	98/12/02	98/12/08	—	—	—	98/12/09	98/12/10	40/98

## COMMONS PUBLIC BILLS

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
C-208	An Act to amend the Access to Information Act	98/11/17	99/02/11	Social Affairs, Science & Technology					
C-220	An Act to amend the Criminal Code and the Copyright Act (profit from authorship respecting a crime) (Sen. Lewis)	97/10/02	97/10/22	Legal and Constitutional Affairs	98/06/10 adopted	recommend Bill not proceed			
C-410	An Act to change the name of certain electoral districts	98/05/28	98/06/04	Legal and Constitutional Affairs	98/06/08	two	98/06/09	98/06/18	27/98
C-411	An Act to amend the Canada Elections Act	98/05/28	98/06/04	Legal and Constitutional Affairs	98/06/08	none	98/06/09	98/06/11	18/98
C-445	An Act to change the name of the electoral district of Stormont-Dundas	98/12/07	98/12/09	Legal and Constitutional Affairs	99/02/04	none	99/02/11		
C-464	An Act to change the name of the electoral district of Sackville-Eastern Shore	98/12/07	98/12/09	Legal and Constitutional Affairs	99/02/04	none	99/02/11		
C-465	An Act to change the name of the electoral district of Argenteuil-Papineau	98/12/07	98/12/09	Legal and Constitutional Affairs	99/02/04	none	99/02/09		

## SENATE PUBLIC BILLS

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
S-6	An Act to establish a National Historic Park to commemorate the "Persons Case" (Sen. Kenny)	97/11/05	97/11/25	Energy, the Environment and Natural Resources					
S-7	An Act to amend the Criminal Code to prohibit coercion in medical procedures that offend a person's religion or belief that human life is inviolable (Sen. Haidasz, P.C.)	97/11/19	97/12/02	Legal and Constitutional Affairs					
S-8	An Act to amend the Tobacco Act (content regulation) (Sen. Haidasz, P.C.)	97/11/26	97/12/17	Social Affairs, Science & Technology	98/04/30	two	Dropped from Order Paper pursuant to Rule 27(3)	98/10/01	
S-10	An Act to amend the Excise Tax Act (Sen. Di Nino)	97/12/03	98/03/19	Social Affairs, Science & Technology	98/06/03	none	referred back to Committee 98/09/24		
S-11	An Act to amend the Canadian Human Rights Act in order to add social condition as a prohibited ground of discrimination (Sen. Cohen)	97/12/10	98/03/17	Legal and Constitutional Affairs	98/12/09	one	98/06/09		
S-12	An Act to amend the Criminal Code (abuse of process) (Sen. Cools)	98/02/10	98/05/06	Legal and Constitutional Affairs					
S-13	An Act to incorporate and to establish an industry levy to provide for the Canadian Anti-Smoking Youth Foundation (Sen. Kenny)	98/02/26	98/04/02	Social Affairs, Science & Technology	98/05/14	seven + two at 3rd	98/06/10	Bill withdrawn pursuant to Commons Speaker's Ruling 98/12/02	
S-14	An Act providing for self-government by the first nations of Canada (Sen. Tkachuk)	98/03/25	98/03/31	Aboriginal Peoples					



S-15	An Act respecting the declaration of royal assent by the Governor General in the Queen's name to bills passed by the Houses of Parliament (Sen. Lynch-Staunton)	98/04/02	98/06/09	Legal and Constitutional Affairs	98/06/18 report withdrawn 98/12/08	four	Bill withdrawn 98/12/08
S-17	An Act to amend the Criminal Code respecting criminal harassment and other related matters (Sen. Oliver)	98/05/12	98/06/02	Legal and Constitutional Affairs			
S-19	An Act to give further recognition to the war-time service of Canadian merchant navy veterans and to provide for their fair and equitable treatment (Sen. Forrestall)	98/06/18					

## PRIVATE BILLS

S-18	An Act respecting the Alliance of Manufacturers & Exporters Canada (Sen. Kelleher, P.C.)	98/06/17	Dropped from Order Paper pursuant to Rule 27(3) 98/11/17				
S-20	An Act to amend the Act of incorporation of the Roman Catholic Episcopal Corporation of Mackenzie (Sen. Taylor)	98/09/23	98/10/29	Social Affairs, Science & Technology	98/12/03	three	98/12/09

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CANADA

# Debates of the Senate

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1st SESSION

• 36th PARLIAMENT

• VOLUME 137

• NUMBER 114

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OFFICIAL REPORT  
(HANSARD)

**Tuesday, March 2, 1999**

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**THE HONOURABLE FERNAND ROBICHAUD  
ACTING SPEAKER**

This issue contains the latest listing of Officers of the Senate, the Ministry,  
Senators and Members of the Senate and Joint Committees.

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(Daily index of proceedings appears at back of this issue.)

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## THE SENATE

Tuesday, March 2, 1999

The Senate met at 2:00 p.m., the Acting Speaker, the Honourable Fernand Robichaud, in the Chair.

Prayers.

### SENATORS' STATEMENTS

#### THE SENATE

##### OPENING OF HOME PAGE ON INTERNET

**Hon. Douglas Roche:** Honourable senators, what is happening in the Parliament of Canada affects the lives of all Canadians. Is it not true that the work of the Senate, an integral part of Canada's constitutional system of government, receives little attention in the Canadian media? How can senators directly inform the Canadian people of what we are doing here to advance the economic, social and peace agenda of our time?

Honourable senators, a new technological instrument is at hand: a senator's own home page on the Internet. This instrument allows a senator to communicate directly to an Internet user the issues of concern to that senator and what he or she is doing about them. A senator's home page is a powerful means of providing facts, opinions and documentation on an instant basis that would otherwise go unnoticed. A senator's home page allows us to do our job more effectively, serves Canadians who want readily available knowledge of our activities, and contributes to the elevation of political dialogue in our country.

Today I am announcing the opening of my Senate home page at <http://sen.parl.gc.ca/droche/>.

In this endeavour, I have received splendid cooperation and guidance from the Senate Web site Co-ordinator, Stéphane Michaud. My home page was created by Khalid Yaqub, and I was greatly aided in the gathering and presentation of relevant material by my assistants, Pam Miles-Séguin, Chris Hynes, and Bonnie Payne.

I commend this modern means of direct communication to all senators.

•(1410)

#### THE ESTIMATES, 1998-99

##### RETENTION AND COMPENSATION ISSUES IN THE PUBLIC SERVICE—MOTION TO CONSIDER REPORT OF NATIONAL FINANCE COMMITTEE ADOPTED

**Hon. Terry Stratton:** Honourable senators, at the last sitting of the Senate I neglected to ask that the ninth report of the

Standing Senate Committee on National Finance, concerning retention and compensation issues in the public service, be placed on the Orders of the Day for consideration at the next sitting of the Senate.

Consequently, with leave of the Senate, I move that the report be placed on the Orders of the Day for consideration later today.

**The Hon. the Acting Speaker:** Is leave granted, honourable senators?

**Hon. Senators:** Agreed.

Motion agreed to and report placed on the Orders of the Day for consideration later this day.

#### VETERANS HEALTH CARE SERVICES

##### MOTION TO CONSIDER REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE ON STUDY ADOPTED

**Hon. Orville H. Phillips:** Honourable senators, I wish to inform the Senate that, pursuant to an order adopted by the Senate on November 5, 1997, I deposited with the Clerk of the Senate on February 25, 1999, the sixteenth report of the Standing Senate Committee on Social Affairs, Science and Technology, dealing with its Subcommittee on Veterans Affairs report entitled "Raising the Bar: Creating a New Standard in Veterans Health Care."

Honourable senators, I move that the report be placed on the Orders of the Day for consideration on Thursday next, March 4, 1999.

Motion agreed to.

[Later]

#### THE ESTIMATES, 1999-2000

##### TABLED

**Hon. Sharon Carstairs (Deputy Leader of the Government)** tabled the Main Estimates for the fiscal year 1999-2000.

##### NOTICE OF MOTION TO AUTHORIZE NATIONAL FINANCE COMMITTEE TO STUDY MAIN ESTIMATES

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I give notice that tomorrow, Wednesday, March 3, 1999, I will move:

That the Standing Senate Committee on National Finance be authorized to examine and report upon the expenditures set out in the Estimates for the fiscal year ending March 31, 2000, with the exception of Parliament Vote 10 and Privy Council Vote 25.

[Translation]

NOTICE OF MOTION TO REFER VOTE 25 TO THE  
STANDING JOINT COMMITTEE ON OFFICIAL LANGUAGES

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I give notice that tomorrow, Wednesday, March 3, 1999, I will move:

That the Standing Joint Committee on Official Languages be authorized to examine the expenditures set out in Privy Council Vote 25 of the Estimates for the fiscal year ending March 31, 2000; and

That a message be sent to the House of Commons to acquaint that House accordingly.

[English]

NOTICE OF MOTION TO REFER VOTE 10 TO THE  
STANDING JOINT COMMITTEE ON THE LIBRARY OF PARLIAMENT

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I give notice that tomorrow, Wednesday, March 3, 1999, I will move:

That the Standing Joint Committee on the Library of Parliament be authorized to examine the expenditures set out in Parliament Vote 10 of the Estimates for the fiscal year ending March 31, 2000; and

That a Message be sent to the House of Commons to acquaint that House accordingly.

[Translation]

## ADJOURNMENT

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(h), I move:

That when the Senate adjourns today, it do stand adjourned until tomorrow, Wednesday, March 3, 1999 at 1:30 p.m.

**The Hon. the Acting Speaker:** Is leave granted, honourable senators?

**Hon. Senators:** Agreed.

Motion agreed to.

[English]

## ENLISTMENT INTO ROYAL CANADIAN NAVY

### THE BLACK EXPERIENCE—NOTICE OF INQUIRY

**Hon. Joan Fraser:** Honourable senators, on behalf of Senator Ruck, I give notice that on Tuesday next, March 9, 1999, he will call the attention of the Senate to the black experience with respect to the enlistment into the Royal Canadian Navy.

## SEXUAL ASSAULT

### RECENT DECISION OF SUPREME COURT OF CANADA— NOTICE OF INQUIRY

**Hon. Anne C. Cools:** Honourable senators, pursuant to rule 56(1),(2) and 57(2) of the *Rules of the Senate*, I give notice that on Thursday next I will call the attention of the Senate:

- (a) to the judgment of the Supreme Court of Canada in the sexual assault case *Her Majesty the Queen v. Steve Brian Ewanchuk*, delivered February 25, 1999, which judgment reversed the Alberta Court of Appeals judgment upholding the trial court's acquittal;
- (b) to the intervenors in this case, being the Attorney General of Canada, the Women's Legal Education and Action Fund, Disabled Women's Network Canada and Sexual Assault Centre of Edmonton;
- (c) to the Supreme Court of Canada's substitution of a conviction for the acquittals of the two Alberta courts;
- (d) to the lengthy concurring reasons for judgment by Supreme Court of Canada Madam Justice Claire L'Heureux-Dubé, which reasons condemn the decision-making of Mr. Justice John Wesley McClung of the Alberta Court of Appeal and the decision of the majority of the Alberta Court of Appeal;
- (e) to Mr. Justice John Wesley McClung's letter published in the *National Post* on February 26, 1999, reacting to Madam Justice L'Heureux-Dubé's statements about him contained in her concurring reasons for judgment;
- (f) to the nationwide, extensive commentary and public discussion on the matter; and
- (g) to the issues of judicial activism and judicial independence in Canada today.



## PRIVATE BILL

### CERTIFIED GENERAL ACCOUNTANTS' ASSOCIATION OF CANADA— PRESENTATION OF PETITION

**Hon. Michael Kirby:** Honourable senators, I have the honour to present a petition from the Certified General Accountants' Association of Canada, of the City of Montreal, in the province of Quebec praying for passage of an act respecting the Certified General Accountants' Association of Canada.

## QUESTION PERIOD

### INTERNATIONAL TRADE

#### RECENT STATEMENTS OF MINISTER ON VARIOUS INTERNATIONAL FREE TRADE TREATIES—GOVERNMENT POSITION

**Hon. John Lynch-Staunton (Leader of the Opposition):** Honourable senators, my question arises from a February 19 press release headed, "Canada's 1998 Exports at Record Levels." In this press release, the Minister of International Trade is quoted as saying:

All-time high trade figures during a period when many world economies have taken tough hits should tell us that we are on the right track, with the right trade policies, at the right time.

In another speech that the minister gave in Tel Aviv on February 28, he said, in part, that freer trade is the way of the future:

Canada has signed free trade agreements with the United States, Mexico and Chile, and we are deeply involved in negotiating a Free Trade Area of the Americas, as well as pursuing a free trade agreement with the European Free Trade Association.

While in opposition, the Liberal Party fought obstinately and relentlessly against free trade which is a policy developed by the Mulroney government. Now it embraces free trade with a fervour even the Mulroney government would find hard to match.

I was wondering if the Leader of the Government could explain how this extraordinary change in position came about and, while he is at it, congratulate the Mulroney government for having had the courage to introduce the right trade policies at the right time.

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I recall very well the debate that took place in this chamber and the participation of the Honourable Leader of the Opposition, as well as many other honourable senators in this chamber. Some of the reservations put forward by the opposition of the day dealt with having complete access to the American market and the lack of a binding dispute settlement mechanism.

Having said that, we have made progress in the area of free trade, and my honourable friend has enunciated several of the nations with which we have free trade agreements. I, myself, recall very well being in Chile prior to the signing of the Free Trade Agreement by President Eduardo Frei and the Prime Minister of Canada. That, among other free trade events, was a landmark for Canada and for other countries.

At the time the free trade debate was going on, the government was heavily in debt. The deficit was rising from \$16 billion to \$30 billion to \$42 billion. There were concerns as to whether the country could afford to engage in free trade agreements.

**Some Hon. Senators:** Oh, Oh!

**Senator Graham:** However, having brought the finances of the country into order, and having brought forward two successive balanced budgets and being on track to bring forward two more balanced budgets, I think we can compete fairly in the world and take our chances on the free trade scale.

#### VALUE OF INTERNATIONAL TRADE MISSIONS— GOVERNMENT POSITION

**Hon. John Lynch-Staunton (Leader of the Opposition):** Honourable senators, I must say that I am not the only one to be startled by the statement that if we have a high deficit, we should stop trying to increase our exports.

Two areas where Canada has not done well in exports, according to the February 19 news release, are Asia and Latin America. The press release states:

Canada's merchandise trade statistics indicate that overall Canadian exports declined by 27.7 per cent to most of Canada's Asian trading partners, and by 10.2 per cent to Latin America.

It just so happens that those two areas were visited in recent years by the Prime Minister leading well-publicized trade missions. While they were there, we were inundated with many press releases. If one were to add up the value of all the deals, we apparently signed billions of dollars' worth of contracts which were to have immediate effect. That is according to those press releases.

On the other hand, our exports to the United States, where the Prime Minister only goes to play golf, increase constantly. Is there not a message there that trade missions are overblown, costly and unproductive? Should we not let trade between countries take its natural course and refrain from artificially inflating trade with promises which cannot be kept, as is demonstrated in these figures?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I never suggested at any time that we should not attempt to increase our exports to other countries.

**Senator Lynch-Staunton:** You said we could not afford it.

**Senator Graham:** No, I was talking about free trade agreements where we had no binding dispute settlement mechanisms.

Team Canada, however, should be regarded as a benchmark in Canadian history. Our Prime Minister had every provincial premier signing on, and there was a waiting list of others who wanted to accompany him to these countries. Such excursions are good not only for Canada but for the individual businesses and business people who accompany the Prime Minister. These missions have been so successful that it is estimated that between \$22 billion and \$23 billion worth of agreements have been signed with businesses and governments in other countries.

**Some Hon. Senators:** Hear, hear!

#### INCREASE IN TRADE WITH COUNTRIES VISITED BY TEAM CANADA INCLUDING CHINA—REQUEST FOR PARTICULARS

**Hon. Consiglio Di Nino:** Honourable senators, this is an interesting debate but it is not for Question Period. I would like to continue, if I may, by asking the Leader of the Government in the Senate if he has any figures on the imports from and exports to the countries that the Prime Minister has visited with the Team Canada groups these last five or six years? Are there any facts or figures available on how much trade, in actual dollars and percentages, has increased between Canada and these countries?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I obviously do not have the numbers here, nor are they readily available.

**Senator Lynch-Staunton:** You said \$22 billion.

**Senator Graham:** I stand by the \$22 billion figure but I do not have the figures for the individual countries. Senator Di Nino mentioned "imports from" and I presume he includes exports to the individual countries.

**Senator Di Nino:** Yes, I refer to both.

**Senator Graham:** Insofar as it is possible, I will attempt to bring forward an appropriate answer to that very interesting question.

**Senator Di Nino:** The information should be available, although I do not have it. I would like specifically the export-import numbers for China since 1993.

**Senator Graham:** I would be very pleased to do so.

•(1430)

#### NATIONAL DEFENCE

##### AVAILABILITY OF LONG-TERM FUNDS FOR MAINTENANCE OF SEA KING HELICOPTERS—GOVERNMENT POSITION

**Hon. J. Michael Forrestall:** Honourable senators, many of you will know that we had yet another incident yesterday

involving a Sea King helicopter, bringing the total to nine incidents in the past month. In addition, a couple of days before that we had an indication through the press that much needed and absolutely prerequisite funds for long-term maintenance of these 35 or 40-year-old aircraft had been removed from the maintenance budget without any indication of whether or not those funds will be restored.

The enormity of having nine incidents in one month is enough to make me want to suggest very seriously to this chamber, to the House of Commons, to the minister, and to anyone else who will listen, that it is time that the decision as to whether or not these aircraft should be flying be taken away from the Minister of National Defence, the Government of Canada, and whoever else wants to get involved, and placed in the hands of the National Transportation Safety Board so that reasonable and credible decisions may be made with respect to those aircraft. That is another question, but it is not one that is far from being asked.

Can the Leader of the Government in the Senate give us some indication as to what will happen to these maintenance funds, which have been budgeted for and which are absolutely critical to the maintenance of these 35-year-old pieces of equipment?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I agree with Senator Forrestall that these funds are absolutely crucial. However, the statement that these funds have been removed is absolutely false.

You mentioned the difficulty that was experienced, unfortunately, with the Sea King helicopter yesterday. That landing was a precautionary measure that was taken after a gearbox started to overheat. The pilot was in control of the situation, and he landed the helicopter without incident. This incident is not related to the engine problems experienced by the fleet last month. Yesterday's incident was regarded by the military as minor, and not significant enough to warrant grounding or flight restrictions.

**Senator Forrestall:** Surely that, by itself, should be sufficient to alert you to the fact that there are all kinds of things that can go wrong with 35-year-old helicopters. Simply because it is not the same thing that happened yesterday indicates to me that a wide variety of problems are beginning to crop up, any one of which, if it had happened in the private sector, would have grounded the machine until the matter was corrected.

I now wish to ask about long-term maintenance. I am pleased to hear the minister correct what was obviously, according to him, an erroneous piece of information. Do I gather, then, that that money is still in the budget? Is it still there so that work can be carried out at Shearwater and at other locations where this kind of long-term maintenance is conducted?

**Senator Graham:** Honourable senators, the short answer to that is yes, that is my understanding.

SEARCH AND RESCUE HELICOPTERS—  
CONSIDERATION OF LEASING OPTION—REQUEST FOR UPDATE

**Hon. Gerry St. Germain:** Honourable senators, my question is to the Leader of the Government in the Senate. I ask again a question that I have asked on many previous occasions.

The military still seems to be fighting the fight of trying to survive with antiquated equipment, very low budgets, and having their people go to food banks.

Has there been any progress at all on the leasing of helicopters, in view of the fact that the equipment that our armed services are expected to use are not only antiquated but also dangerous for flight?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I understand that leasing is still an option. I wish to assure the Honourable Senator St. Germain — since he has a particular interest with respect to the West Coast — that the fleet of Sea King helicopters in that part of the country is not affected, nor are flights originating from Shearwater.

The Minister of National Defence has said on many occasions that he wants to move forward with replacing the Sea King helicopter as quickly as he can. I hope that he can make an announcement to that effect this year. The Maritime Helicopter Project is a core project within the Department of National Defence. It is my understanding that the department is currently in the final stages of the development of a procurement strategy.

**Senator St. Germain:** Honourable senators, knowing the lead time that is required on orders relating to military hardware, as a supplementary question I would ask if a lease program is included as part of that procurement program. If we wait for production, we may have several serious accidents on our hands, and possibly the loss of more lives if there is not some immediate remedy to this horrific situation with which our military are faced.

Possibly it is time, honourable senators, for someone of the Leader of the Government's stature to take over the Department of National Defence. I hate to be critical of your colleague in cabinet, but this is a matter of some urgency.

**Senator Graham:** The Minister of National Defence has the confidence not only of his colleagues and of the military, but also of the people of Canada. He is an outstanding Minister of National Defence.

**Senator St. Germain:** Remember that you were elected with 38 per cent!

**Senator Graham:** Let us go back to that. What was your comment?

**Senator St. Germain:** I said, "Remember that your government was elected with 38 per cent." You have the confidence of all Canadians. I am not talking about any other policies, honourable senators, I am only talking about the military, their equipment, and the way in which the military has been treated.

The honourable senator knows that explicit studies have been done on the poverty that exists among our military, and the absolutely disgusting state of the equipment that these people are expected to use. It is obsolete and unsafe.

When you say that "the majority of Canadians support the minister," I would question that statement, and I would hesitate to put that forward as a factual statement.

**Senator Graham:** You may be absolutely right when you reflect back to the last election and say that the government was elected with 38 per cent of the popular vote. I can only say that if I were to look at the latest Gallup poll — and I know that polls can be a mile wide and an inch deep — the Liberal Government of Canada, of which I happen to be a member — would be at 56 per cent across the country, and well ahead in your home province, Senator St. Germain. I agree that it would be foolhardy to live and die by the polls, but they do serve — on occasion, as they do today — as a barometer of where we stand and the confidence that Canadians have in this government.

With regard to the particular point that my honourable friend has made with respect to the Minister of National Defence, I assure honourable senators that the minister is cognizant of the problem, both with respect to the personnel and with respect to the equipment. He is undertaking, on a daily basis, negotiations with his colleagues and with those most responsible for bringing forward better equipment and better standards of living for our Armed Forces personnel. They deserve nothing but the best, and they have a great champion in the Minister of National Defence.

## TRANSPORT

### FLIGHTWORTHINESS OF SPECIFIC CIVILIAN AIRCRAFT— OPINION OF NATIONAL TRANSPORTATION SAFETY BOARD

**Hon. David Tkachuk:** Honourable senators, as a supplementary question on the issue of the Sea King helicopters, if the National Transportation Safety Board had as many complaints and as many incidents of grounded DC9s as the Department of National Defence have had with the Sea King helicopters, could the Leader of the Government in the Senate tell us if the government would allow DC9s to fly?

•(1440)

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable Senator Tkachuk would know that I cannot presume to know what the National Transportation Safety Board would decide on any particular matter. I am not aware whether the National Transportation Safety Board has been consulted or whether it has asked to be involved in this matter.

**Senator Tkachuk:** Could the Leader of the Government ask whether there is one set of rules for our military fliers and rescue workers and another set of rules for civilians with regard to the kind of planes they fly?

**Senator Graham:** Honourable senators, I do not have to ask the National Transportation Safety Board for the answer to that question because that certainly would not be the case.



[Translation]

## NATIONAL FINANCE

### TAX RELIEF FOR CANADIAN PROFESSIONAL HOCKEY AND BASEBALL TEAMS—GOVERNMENT POSITION

**Hon. Fernand Roberge:** Honourable senators, yesterday during a visit to the Canadian Space Agency in Saint-Hubert, the Prime Minister said that he had little interest in funding the Montreal Expos baseball club. He said, and I quote:

We are not in the business of helping sports teams at this time. This is a commercial venture.

Some people would like the government to get involved, but we had already decided not to in other circumstances. So I do not know whether the situation has changed for us to change our policy.

However, while in Calgary yesterday, the Minister of Finance announced that the federal government was prepared to modify the taxation system for National Hockey League teams in Canada. Moreover, the Minister of Finance also announced that the Minister of Industry was to introduce in cabinet next April a series of measures aimed at helping out the six Canadian professional hockey teams hit by the effects of the low Canadian dollar, skyrocketing salaries in professional sports, and a higher tax burden than U.S. teams.

It appears, however, that there is no provision for any assistance to the Montreal Expos, although they are also included in the Mills report as part of professional sports.

Can the Leader of the Government tell us why the federal government would want to focus its intervention in the coming months on professional hockey teams only, and not on Canada's two baseball teams?

[English]

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I do not know that that is the case. I am sure that all honourable senators who have an interest in national pride are quite aware of and concerned about the future of both professional hockey and baseball teams. I have heard arguments on both sides of this issue.

We say that hockey is our national sport. Indeed, we spoke about that a few years ago in this chamber. It is with great pride that we watch the growth of hockey in our country, particularly since Canada is considered to be the best "breeding ground" in the world for young hockey players.

It is extremely important that we be cognizant of what is happening at this time. Not wishing to use sports jargon, we all want to ensure that the playing field is level, whether it applies to baseball or to hockey.

I have not spoken to the Minister of Finance as to what he said in Calgary, nor to the Prime Minister with regard to his

comments about the future of the Expos. However, I am sure that the government will treat all of these important businesses with fairness now and in the future.

[Translation]

**Senator Roberge:** Can Senator Graham confirm that the statements made by the Prime Minister and the Minister of Finance appear to indicate that the federal government does not want to get involved in saving the Montreal Expos, despite all of the efforts currently being deployed by the group directed by Jacques Ménard, by the Mayor of Montreal, and by a number of Montreal business figures?

[English]

**Senator Graham:** Others have spoken out in support of the future of the Expos, including Denis Coderre, the outstanding young member of Parliament from Quebec, who has constantly spoken out not only to his parliamentary colleagues but also on Montreal radio and television. As I said earlier, I am not currently aware of what exactly was said by the Prime Minister and Mr. Martin. However, I shall attempt to find out, and bring forward any new information that may be available.

## DELAYED ANSWERS TO ORAL QUESTIONS

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I have a response to a question raised in the Senate on February 11, 1999, by the Honourable Senator Noël A. Kinsella regarding the failure of the Prime Minister to attend the funeral of the late King Hussein, scheduling in PMO; a response to a question raised in the Senate on February 2, 1999, by the Honourable Senator Donald H. Oliver regarding the confirmation of the size of the mounting surplus in the Employment Insurance Fund; and a response to a question raised in the Senate on February 16, 1999, by the Honourable Senator J. Michael Forrestall regarding the search and rescue helicopter replacement program, problems in incident reports on Sea King helicopters.

## FOREIGN AFFAIRS

### FAILURE OF PRIME MINISTER TO ATTEND FUNERAL OF THE LATE KING HUSSEIN—SCHEDULING IN PMO— INVOLVEMENT OF CHIEF OF DEFENCE STAFF

(Response to question raised by Hon. Noël A. Kinsella on February 11, 1999)

The Director of Operations and his staff work collaboratively with the Department of National Defence when an aircraft is required.

## HUMAN RESOURCES DEVELOPMENT

### CONFIRMATION OF SIZE OF MOUNTING SURPLUS IN EMPLOYMENT INSURANCE FUND—GOVERNMENT POSITION

(Response to question raised by Hon. Donald H. Oliver on February 2, 1999)

The Chief Actuary's Report on Employment Insurance (EI) Premium Rates for 1999, released on December 1, 1998 contains a range of forecasts for the EI Account out to 2004. A summary table extends the projections out to 2010.

The important factors in arriving at these projections are the unemployment rate, which influences both premium contribution and benefit payout estimates, and the premium rate. None of these departmental forecasts, even one assuming no recession for the next five years, projects a cumulative balance in the Account close to \$70 billion by 2003. The forecasting firm, Informetrica has been informed that their projections seem improbable. The department would be quite willing to discuss the assumptions which went into their projections with them.

Subsection 3(1) of the EI Act (1996) requires that:

The Commission shall monitor and assess:

- a. How individuals, communities and the economy are adjusting to the changes made by this Act to the insurance and employment assistance programs under the Unemployment Insurance Act.
- b. Whether the savings expected as a result of the changes made by this Act are being realized; and
- c. The effectiveness of the benefits and other assistance provided under this Act, including:
  - i. how the benefits and assistance are utilized by employees and employers, and
  - ii. the effect of the benefits and assistance on the obligation of claimants to be available for and to seek employment and on the efforts of employers to maintain a stable workforce.

The 1998 Report, the second in a series of five annual reports, was sent to the Minister of Human Resources by the EI Commission. The Report is to be tabled in the House of Commons within 30 sitting days of the House resuming, as required by the EI Act.

## NATIONAL DEFENCE

SEARCH AND RESCUE HELICOPTER REPLACEMENT PROGRAM—  
PROBLEMS IN INCIDENT REPORTS ON SEA KING HELICOPTERS—  
ANNOUNCEMENT OF DECISION—GOVERNMENT POSITION

*(Response to question raised by Hon. J. Michael Forrestall on February 16, 1999)*

There is a plan to reengine the Sea King. Priority for engine replacement was given to the Labrador fleet. The

Labrador engine upgrade is expected to be completed in March 1999. The Sea King fleet will go through an engine upgrade that is expected to start in April 1999 and to be completed in March 2001.

## ANSWERS TO ORDER PAPER QUESTIONS TABLED

OFFICIAL TRIP TO HAVANA, CUBA  
BY PRIME MINISTER AND MADAME CHRÉTIE

**Hon. Sharon Carstairs (Deputy Leader of the Government)** tabled the answer to Question No. 117 on the Order Paper—by Senator LeBreton.

RETIREMENT FROM RCMP OF  
STAFF SERGEANT FRASER FIEGENWALD

**Hon. Sharon Carstairs (Deputy Leader of the Government)** tabled the answer to Question No. 136 on the Order Paper—by Senator LeBreton.

## THE SENATE

DELAY IN PROVIDING ANSWERS TO QUESTIONS  
ON ORDER PAPER—GOVERNMENT POSITION

**Hon. John Lynch-Staunton (Leader of the Opposition):** Honourable senators, I notice that there are three unanswered questions on the Order Paper dating back to October 21, 1997. Two of them are in the name of Senator Phillips, who unfortunately will be leaving us before the end of this month. Could the Deputy Leader of the Government in the Senate offer Senator Phillips some assurance that he will have the answers to his two questions before he leaves?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, on behalf of the government I will assure the Honourable Senator Lynch-Staunton and the Honourable Senator Phillips that every effort will be made to bring forward those answers as soon as possible.

*[Translation]*

## ORDERS OF THE DAY

### NUNAVUT ACT

BILL TO AMEND—THIRD READING

**Hon. Lucie Pépin** moved the third reading of Bill C-57, to amend the Nunavut Act with respect to the Nunavut Court of Justice and to amend other Acts in consequence.

She said: Honourable senators, I am very pleased to initiate debate on the motion for third reading of Bill C-57, to amend the Nunavut Act with respect to the Nunavut Court of Justice and to amend other Acts in consequence.

This bill is the tangible manifestation of the federal government's commitment to the people of Nunavut to table in timely fashion a bill to establish a single level court structure for Nunavut.

Creation of a trial court specifically tailored to the needs of northerners is in part a culmination of the dreams of the Inuit of the Eastern Arctic to shape their own future.

I am very proud to take part in this process, which will help the inhabitants of Nunavut to realize their dream.

The Standing Senate Committee on Legal and Constitutional Affairs, vice-chaired by Senator Milne, examined this bill closely and reported it without amendment on February 18, 1999.

I do not propose to examine in detail the bill as it now stands. We examined the bill in detail at second reading. However, it would be remiss of me not to mention some of the testimony heard by the committee.

[English]

•(1450)

Ms Rebecca Williams, Assistant Deputy Minister in the Nunavut Department of Justice, testified about the trust that was established as a result of the process through which Bill C-57 was developed. Ms Williams told us:

For many years, the justice system in our territory has been operating and impacting on us but not listening to us. There has been no way for the justice system to receive input from the Inuit.

However, according to Ms Williams:

The process we used to develop the Nunavut Court of Justice was revolutionary in our history because it involved Inuit. Inuit were able to express what kinds of system they needed to handle conflicts and to work for peace and safe communities in the future. The process itself has given me hope about the future of our public government in Nunavut. I learned from this process ways of bringing our time of silence to an end.

[Translation]

When the Minister of Justice and Attorney General for Canada appeared before the committee, she told us:

Justice services are delivered in the Eastern Arctic by flying court parties, including judges, lawyers, clerks, et cetera, in and out of the remote communities of the region. It makes little sense to fly two separate court parties, neither of which can hear all matters, in and out of these communities. Instead, Bill C-57 proposes to implement for Nunavut a single-level trial court that will be able to deal with all matters on the court docket, whether serious or minor, whether civil, family or criminal in nature. By

implementing this change, we hope to introduce a court system for Nunavut that will be simpler and more efficient; that will reduce the number and, hence, the cost of court circuits; and, hopefully, reduce the delay for parties awaiting court appearances.

[English]

The minister assured us that:

...in developing Bill C-57, the Government made a clear choice to preserve the substantive and procedural rights of parties before the courts to the fullest extent possible in a single-level trial court system.

The committee also heard from the three aboriginal groups that claim that the creation of Nunavut will adversely affect rights they claim over land and resources north of the 60th parallel within the territory of Nunavut. Essentially, these groups are asking that we suspend the creation of Nunavut until their claims have been resolved.

[Translation]

The purpose of Bill C-57 is not to create Nunavut, and it is not the proper instrument to settle these claims. In 1993, when the Nunavut Act was passed, the Government of Canada decided that the new Nunavut territory would be established on April 1, 1999. That decision was confirmed last year, when Parliament adopted amendments to the Nunavut Act, in Bill C-39.

Even if we were sympathetic to the claims made by these aboriginal groups, this chamber does not have the power to go back in time and to block the establishment of the new Nunavut territory.

The witnesses representing these three aboriginal groups told the committee that their claims had been brought before the Federal Court of Canada. According to their own testimony, there is a legal process to hear and to settle their claims.

Moreover, the Minister of Indian Affairs and Northern Development, and also the Minister of Justice, unequivocally told these people that should the court conclude that they do have rights, as claimed, north of the 60th parallel, Part 40.4 of the final agreement on Nunavut specifically protects the treaty and aboriginal rights of other aboriginal groups in the Nunavut region.

Bill C-57 has to do with the legal structure of the new Nunavut territory. It has nothing to do with territorial boundaries, land claims or the affirmation of aboriginal and treaty rights. It has no relation at all with the claims made by these groups.

[English]

Let me return now to the substance of the bill before us. I should like to outline some of the main themes of Bill C-57, as they highlight some of the unique aspects of the Nunavut Court of Justice.



Honourable senators, one of the very important features of the Nunavut Court of Justice is the fact that the judges of this court will be able to deal with all matters. An amendment to the Nunavut Act provides that a judge of the Nunavut Court of Justice may exercise or perform any power, duty, or function that can be exercised or performed by a judicial official pursuant to any law in force in Nunavut. Amendments contained in a separate part of the Criminal Code establish that a judge of the Nunavut Court of Justice will have all the power, duty, and function of all courts and judicial officials set out in the Criminal Code. As a consequence, a judge of the Nunavut Court of Justice who flies into a remote community on a circuit will be able to hear all matters of the court, from the most minor to the most serious. Complementary legislation will enable the judge to hear all types of matters, from family to criminal and civil matters.

I am confident that this feature will have a positive impact on reducing delays in the hearing of cases and on increasing access to justice for the parties before the court.

*[Translation]*

Another important aspect of the judiciary structure is that the Nunavut Court of Justice has the status of a superior court. By virtue of the establishment of a one-level trial court, justices of the Nunavut Court will perform their duties as judges of the superior court and will enjoy all powers inherent to judges of the superior court. Of equal importance, like superior court judges anywhere in the country, they will enjoy all the external signs and all the necessary protection to guarantee an independent and impartial justice system.

Since the justices will be residents of Nunavut and will have frequent contacts with the various Nunavut communities, I believe the people of Nunavut will have the impression that their access to justice has improved. They will feel their cases are being examined by judges with a great familiarity with their culture, their values and their needs.

*[English]*

The Minister of Justice is committed to finding candidates who are qualified, experienced, and committed to the North to be appointed to the Nunavut bench. The honourable minister is on record with her commitment to consult the people of the North to ensure that appointments reflect and respond to the unique demands, culture, and conditions in Nunavut. This commitment can be seen in the newly appointed Judicial Appointment Advisory Committee for Nunavut.

*[Translation]*

Honourable senators are no doubt aware that the first judge of the Nunavut Court of Justice has been appointed. Madame Justice Beverley Browne was appointed to the Supreme Court of Nunavut on January 11, 1999, and her appointment will take effect on April 1, 1999. Madam Justice Browne has been a judge of the Northwest Territories territorial court at Iqaluit since 1990. Her devotion and commitment to the North is beyond question.

Creation of a one-level court for Nunavut is the point of departure for a justice system to meet the needs of the population served. The Department of Justice of Canada has committed to

close collaboration with the new Nunavut Department of Justice in order to best tailor the justice system to the needs and realities of the new territory.

For example, one important issue concerns the training of justices of the peace in order to ensure their competency, independence and impartiality. It is very important for the smooth operation of the Nunavut justice system that, over time, the justices of the peace can complement the work of the Nunavut Court of Justice by settling more minor matters at the community level.

While the training of justices of the peace is a territorial responsibility, the federal Department of Justice will help the Nunavut Department of Justice by providing funding for this training. The Nunavut Department of Justice has launched a competition to find someone willing to work full time on training, supporting and coordinating justices of the peace. The federal Department of Justice will continue to do everything possible to help the new territory accomplish this important task.

*[English]*

Honourable senators, the new system proposed in Bill C-57 is unprecedented in Canada. There will be a need, therefore, to monitor and evaluate the system in the year ahead to ensure that it achieves the objective of providing an efficient, effective, and accessible justice system. The federal Department of Justice is working with the Nunavut Department of Justice to design a monitoring and evaluation system to identify problems and any possible changes which might be needed.

*[Translation]*

The creation of Nunavut, in less than four weeks' time, will be a very important point in Canada's history. It is the realization of the dream of the Inuit of the Eastern Arctic. It means the establishment of the first single level trial court in Canada, which will deal with criminal, civil and family matters. It will open a whole new chapter on partnership between the people of Nunavut and the federal government. I ask honourable senators to support the passage of this bill.

**Hon. Gérald-A. Beaudoin:** Honourable senators, I am pleased to say a few words of support for Bill C-57 to amend the Nunavut Act.

In the Legal and Constitutional Affairs Committee, we heard from the Minister of Justice and the experts. We examined this bill in detail.

Bill C-57 concerns the creation of a court of justice in a territory. We will soon have a third great territory in Canada, Nunavut, which covers one fifth of Canada. Parliament has total legislative jurisdiction over the territories. The Nunavut judicial system differs from that of the provinces, which is fine, since it is not a province but a territory. The famous section 96 of the Constitution does not come into play.

Moreover, many experts spoke clearly on the issue of protecting the rights of Native peoples: section 35 of the Constitution Act, 1982, remains intact and applies. This for me is of the highest importance.

[English]

•(1500)

Another observation is necessary here. The powers of the provinces originate from the Constitution Act of 1867 and from their constitutive statutes or from Orders in Council. However, the powers of federal territories come from federal legislation. Territories are created by federal legislation. Their powers are delegated. Their delegated powers come from the Parliament of Canada, and not from the Constitution itself. In the present debate, this is most important. We must distinguish between a province and a territory. They are substantially very different. This is stated clearly in our constitution acts.

[Translation]

One word about the language issue. French and English remain official languages, as is the case in all federal institutions. This is what the Constitution of Canada provides, more specifically section 16(1) of the 1982 Canadian Charter of Rights and Freedoms, which reads:

English and French are the official languages of Canada and have equality of status and equal rights and privileges as to their use in all institutions of the Parliament and government of Canada.

Bill C-57 on Nunavut is a federal act of a constitutive or organic nature, to use legal jargon. This federal act must comply with our country's official bilingualism policy. I am pleased to note that the provisions of Bill C-57 comply with that principle.

I have nothing else to add at third reading of a bill, which that we already approved in principle at second reading and which the Standing Senate Committee on Legal and Constitutional Affairs thoroughly reviewed. This is, however, a historic moment. At the international level, the Canadian Parliament, through this new structure, is affirming with even greater visibility its supremacy over that huge part of our country in Northern Canada.

[English]

**Hon. Jeremiah S. Grafstein:** Honourable senators, I should like to say at the outset that I support the principle of Bill C-57: to establish a new, innovative, single level court system for the newly created territory of Nunavut. I also commend all senators for their work on the Standing Senate Committee on Legal and Constitutional Affairs in reviewing this bill, and all responsible officials who worked so assiduously, arduously and creatively to draft this legislation, especially, as Senator P  pin points out, with the input and the wholesale support of the Inuit who form 85 per cent of the population of Nunavut. This is an essential step in creating a different system of justice for this far-flung, sparsely populated part of Canada. I say this as a one-time member, long ago, of the bar of the Northwest Territories.

While the proposed system is new, different and innovative, it is untested. Hence, my abstention from supporting the report of the committee. Let me explain. I considered proposing an amendment to require an independent review of this legislation by the Minister of Justice within five years of the anniversary of

its proclamation, to be tabled in both Houses of Parliament. As we all know, our tendency is to legislate a problem and then assume that it will go away. It does not work, as we have found to our regret.

Problems facing the new territory of Nunavut are beyond critical. Nunavut inherits the highest rates of incarceration and recidivism in Canada by several orders of magnitude, as well as the highest suicide rates and rates of family abuse. All the while, we continue to invest higher and higher per capita amounts by Canadian taxpayers in that far-flung region. Obviously, the underlying social problems remain intense and unresolved.

For far too long this large land mass of Canada — larger in size than Ontario, and one-fifth of Canada's geography — and its residents have been neglected. My hope was that my proposed amendment would have galvanized the newly elected authorities in Nunavut and the authorities in Ottawa to address these deeper-seated concerns and arrest them, rather than its citizens. My hope was that such an amendment would have ensured that Parliament no longer pushed the scorching issues confronting the citizens of Nunavut off the public agenda, as we have done so often in the past. Too often, the newsworthy crowds out the necessary. As in life and business, regularity in accountability provokes action.

However, I was convinced by my colleagues Senators Adams, Chalifoux and Watt that April 1, 1999 is an essential and historic date, and that time is of the essence. This, coupled with the undertaking given by the department, as outlined by Senator P  pin, that there will be a constant monitoring of the new justice system, may be a sufficient safeguard to ensure that it is sensitive to the special needs of all of the citizens of Nunavut.

Unresolved is the power in the role of the Nunavut trust. Senator Pearson advised me that this issue would be pursued by the Standing Senate Committee on Aboriginal Peoples. However, I intend to abstain on this measure, rather than propose my amendment. I remain unconvinced. I believe that we are witnessing a flawed vision in the North and that we have failed to come to grips with the fundamental problems there as yet. We will wait and we will see.

•(1510)

**Hon. A. Raynell Andreychuk:** Honourable senators, I, too, wish to add a few comments with respect to this bill. I am in support of Bill C-57 and the direction it is taking. It is not so innovative for those people who have lived in the North. The process of the varying levels of courts was always difficult by virtue of transportation, the distances to be travelled, and the time limits and the time delays that took place. Therefore, in many cases justice delayed has been justice denied.

The concept of flattening the courts to a single level has been with us for many years. It was being discussed in the Northwest Territories before the discussion on separating Nunavut from the Northwest Territories. I do not believe, however, that this single piece of legislation will change the face of justice and make a better system for the people of the North, although it will allow the courts to be more efficient and more responsive, taking into account the distances and the need to travel.



Honourable senators, I believe the question of justice is a much broader issue. The problem in Nunavut was taken up when the question of creating a new territory was discussed. Most of the people living in the North and many of those who have travelled to the North thought that a new territory in the Eastern Arctic was a way for the people of the North to gain control over their own destiny.

Eighty-five per cent of Nunavut will be composed of the Inuit. Under this bill, there will be approximately 82 justices of the peace and perhaps three to five judges in the future. Therefore, the backbone of the justice system in the North will be the JP system. It will be in the settlements; and it will be on a day-to-day basis. I refer to the usual issues that confront citizens.

The test of the Nunavut court system will be whether it is impartial and whether it is perceived to be by the people in Nunavut, as well as in the rest of Canada. Therefore, I do not believe that parliamentary scrutiny is the best means to determine the concept of justice, as Senator Grafstein has suggested.

There is nothing unique and difficult to comprehend in the process. The question is whether this court system will bring a measure of justice to the people, or at least that they will deem it to be a better system than they have today. When the system commences operation, the test will be whether people are comfortable with the court, whether they accept the process and, more particularly, whether they accept the judgments and the decisions handed down by the courts.

The appointment process of the JPs will be extremely important because with 85 per cent of Nunavut being Inuit, it will be their responsibility to ensure that the minority in the North is treated as fairly as the majority. The test will lie not with Parliament, but with the people of the Inuit communities to ensure that this public system of justice is indigenized to take into account the needs of the Inuit, and at the same time, the needs of the other 15 per cent of the population.

As Senator P  pin pointed out, a number of the Dene groups indicated that they have some fear of the new process because their land claims have not been settled. In some cases, their land claims overlap those that have already been settled with the Inuit. This places a heavy onus on those people who will be sitting on the bench to ensure that they are impartial when they deal with the minority groups, as well as with their own majority Inuit population. When pressed, the Dene felt they had no reason to distrust the Inuit population, and if they do not, I do not feel I can. What I do ask is that the Canadian government take into account the needs of the Dene and not force them into courts to resolve their issues. Surely a process of negotiation with the Dene to solve the problems in the overlapping jurisdictions would go a long way to solving the issues in the North.

The justice system is not only composed of the court system. The justice system will be made up of all of the support systems; the policing mechanisms, the correctional services, the parole services and the family support services. Many of those services offered in the South have disrupted families and destroyed children's access to their parents. I believe that to have a system that responds to the needs of the people in Nunavut will require

more resources. I do not believe that the North has received enough money. It takes an incredible amount of money to fly around court parties.

As I said in committee, I hope the government will not take this as an opportunity to reduce funds, but that it will maintain and even increase funding levels, not to the court system particularly, but to the entire justice system. What leads to the courts is more important than what happens in the courts. If more attention is paid by all of us, particularly those in the Nunavut territory, to the root causes of the difficulties — the violence and disruption in families and communities — I believe that there will be a greater measure of justice and a greater and brighter future for the Inuit. I believe that the first step is the new Nunavut territory. The next step will be the administration of this territory, which I trust all senators will support.

Bill C-57 is but one small piece of legislation that is necessary for that emerging new territory. The statute arising from Bill C-57 will no doubt need amendments and changes as practice is put into place. However, I do not believe it would be of benefit for us to peer over the shoulders of the Inuit in a way that we do not in the rest of Canada.

Honourable senators, as we talk about the indigenization of the courts in the North, we must remember that it is a public court system and not an Inuit court system. It is a system of justice for all citizens. Therefore, I believe that it will have an inordinate responsibility to ensure minority rights and minority opinions. A system that does not take into account minorities, be they Dene, non-aboriginal or other factions within the Inuit, cannot call itself a just and fair system. I believe that all people are aware of these issues, and if they receive the proper education, training and support, their system will be equal to, if not better, than the courts we see in the South.

I wish the new court process, Madam Justice Browne, and all other newly appointed JPs well in their new venture. All of us who have followed events in the North will continue to follow its progress. We believe that the steps taken to this point in Bill C-57 will be of assistance to them. I commend, therefore, the government in bringing this bill forward in line with what has been a 10-year project in Nunavut, started many years ago, and contemplated by the justice system some time ago.

•(1520)

**Hon. Bill Rompkey:** Honourable senators, I rise to speak to Bill C-57. It may be one of the last opportunities I get before Nunavut comes into operation. As someone who represents the territory that is the southern neighbour of Nunavut, I should like to say a few words, even though I have not participated in the debate on this particular piece of legislation.

Labrador, as we all know, is the southern neighbour of Nunavut. We welcome them as a territory, and we hope there will be synergies between the two economies, the two peoples and the two areas. We are very optimistic about the possibilities for increased trade and commerce. There has already been much discussion, particularly between the Inuit in Labrador and the Inuit in Nunavut.



On this particular piece of legislation, I wish to echo what Senator Andreychuk has said. One of the points she made was regarding the startling social indicators in Nunavut in terms of alcoholism, family dislocation, and incarceration. These are all indicators, perhaps, of a society that has a significant number of problems to deal with. One of the root causes of those indicators, as Senator Andreychuk said, is the fact that people have not had control over their own lives. The fundamental thing that will happen with the coming into being of Nunavut is that it will give people, for the first time, control over their own lives; a sense of independence, a sense of charting their own destiny. All of us, no matter who we are or where we live, want that sense of self-control and independence of operation. When this happens, whether it is in respect of the court system or the governmental system, I believe it will go a long way to rectifying not just the symptoms of what is happening but the reality of what is happening in Nunavut.

I look forward to this. I welcome it. There is some experimentation here, but I think it is a chance we must take. I believe that if we do take this step, both in the court system and in the system of government, it will produce nothing but positive results in Nunavut.

I hope that all honourable senators will support this legislation.

**The Hon. the Acting Speaker:** Is it your pleasure, honourable senators, to adopt the motion?

**Some Hon. Senators:** Agreed.

**Sensor Grafstein:** Honourable senators, I just want to note my abstention on the bill. I do not want to put the chamber to any other dislocation.

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** That would be out of order. There is another means available, however.

**Sensor Grafstein:** Sorry?

**Sensor Kinsella:** An abstention would be out of order. There is another means available.

Motion agreed to and bill read third time and passed.

[Translation]

## ROYAL CANADIAN MINT ACT CURRENCY ACT

### BILL TO AMEND—THIRD READING

**Hon. Marisa Ferretti Barth** moved the third reading of Bill C-41, to amend the Royal Canadian Mint Act and the Currency Act.

She said: Honourable senators, I am pleased to speak to Bill C-41, to amend the Royal Canadian Mint Act and the Currency Act.

[Translation]

The Royal Canadian Mint is a Canadian institution that has preserved and promoted the symbols of our nation and of our identity. The coins it mints for Canada and other countries are recognized for their quality and exceptional artistic design. These coins are sold, bought and exchanged throughout the world.

In 1987, the legislation governing the Mint was amended so as to allow this Crown corporation to become a fully commercial operation. The purpose of Bill C-47 is to allow the Royal Canadian Mint to improve its effectiveness and to expand its opportunities in markets, which have evolved considerably in the last ten years.

I would remind senators of the bill's primary purpose, which is to simplify the coin circulation and design approval process, streamline the Mint's operating structure, and give the Mint greater powers so that it can carry out its mandate of global leadership in minting.

Passage of this bill is vital to the future of the Mint. During debate and subsequent consideration in committee, I was impressed by the fierce competition that exists on the international coin minting market for foreign countries. This international market represents 80 per cent of the Mint's revenue. Last year alone, the Mint produced over 2 billion coins for 17 different countries.

Under Bill C-41, the Mint would be given the capacity of a natural person. This will give it the necessary flexibility to carry out its long-term goals and become a world leader in its field.

These powers will enable it to modify its business structure, by forming partnerships or creating subsidiaries, for instance. The monetary institutions of other governments, such as Great Britain, Austria and Germany, already have this flexibility. They are Canada's main competitors. These new powers will put Canada in a more advantageous position on the highly competitive international market.

Another key provision in this bill relates to enhancing the borrowing power of the Mint. This would enable it to meet any future financial needs and to take prompt advantage of any attractive and profitable business opportunity that might arise. At the request of the Mint, independent financial experts analyzed this adjustment to its borrowing power. Their conclusion was that this was prudent and in line with the present economic situation. Even with enhanced borrowing power, rest assured that the Mint will continue to be subject to the same stringent accountability structure as at present.

Honourable senators, I was agreeably surprised, as were many other senators, by the rigorous professionalism exhibited by the Mint executives who appeared before the committee. The Mint is directed by a top-notch team. It plays a lead role in its field, and it is also profitable. Breaking into the international coinage market requires not only a great deal of experience, but also the ability to anticipate events so as to take advantage of opportunities that present themselves for gaining a market share. This requires certain tools.

[English]

In recognition of this, I would submit that passage of this bill can be our way of providing the Mint with the best means of achieving its goal. Canadians would expect nothing less.

[Translation]

If our flag represents the grandeur of our beautiful country, the Royal Canadian Mint represents its wealth.

[English]

•(1530)

**Hon. Terry Stratton:** Honourable senators, I have a few comments regarding this bill. I do not have any objections to the bill itself because the questions were answered quite well during committee hearings. I do commend the President of the Mint, Ms Wetherup, for her presentation. In that presentation, as stated by Senator Ferretti Barth, the main issues regarding increased borrowing authority from \$50 million to \$75 million were essentially answered. Although there was some reservation on our side, we were satisfied with the response.

In Winnipeg, an addition to the Mint has been completed for the production of coin blanks and plating. It appeared at first blush that this production of coin blanks at the Mint in Winnipeg would put it in direct competition with a company in Edmonton called Westaim which produces coin blanks. Our concern was that the Mint in Winnipeg would compete directly with the private company, and that facing a kind of bottomless pit in the Canadian government could put it out of business. We received assurances from the master of the Mint on that score — and I must say “master” because it is a wonderful word, particularly when it applies to a woman such as Ms Wetherup. “Master” is the traditional terminology which the present master is quite proud to use. I am pleased that they carry on the tradition.

We did, though, have concerns with the competition aspects of the new addition. Ms Wetherup assured us, as did the minister, that indeed this would not be a problem because when the Royal Canadian Mint was competing for work overseas, they had trouble obtaining blanks. They could not obtain a sufficient supply from Westaim. They had to go overseas to obtain that supply and at times be looking to their current competitors, such as the British Mint, to supply the blanks. Because the competitors were going after the same projects, our Mint would be given a much higher quote for the supply of blanks.

This is the assurance that we received from Master Wetherup: Westaim is satisfied with that response. There will be no fear of being put out of business by the Royal Canadian Mint on the

production of coin blanks, and that there will indeed be room in the market for both the Mint's addition in Winnipeg and for Westaim. To that end, I am satisfied by the responses of Minister Gagliano and Master Wetherup.

**The Hon. The Acting Speaker:** Is it your pleasure, honourable senators, to adopt the motion?

**Hon. Senators:** Agreed.

Motion agreed to and bill read third time and passed.

## SECURITY AND INTELLIGENCE

### CONSIDERATION OF REPORT OF SPECIAL COMMITTEE— MOTION IN AMENDMENT—DEBATE ADJOURNED

On the Order:

Resuming debate on the motion of the Honourable Senator Kelly, seconded by the Honourable Senator Beaudoin, for the adoption of the Report of the Special Senate Committee on Security and Intelligence, deposited with the Clerk of the Senate on January 14, 1999.—(*Honourable Senator Bryden*).

**Hon. John G. Bryden:** Honourable senators, I wish to comment on the report of the Special Senate Committee on Security and Intelligence, but first I wish to reply, I hope with good humour, to Senator Kelly's expressed frustration with me during the proceedings. I had hoped that Senator Kelly would be here today.

Senator Kelly will retire soon and, therefore, many of you will miss the experience of serving on a committee of which he is the chair. That will be your loss. I have never been in the army, but from reading and watching old war movies, Senator Kelly reminds me of a sergeant-major who has an objective to obtain. In the process, there will be casualties. Indeed, he may stand alone on that hill but, by golly, he will get there.

In war, the first casualty is truth. I took it upon myself to see that the facts would not become casualties in meeting our committee's objectives. As you can tell from Senator Kelly's speech on the report, he has very strong opinions about many matters relating to security, intelligence, to refugees and to terrorist threats. In my opinion, he approached the committee as being a vehicle which would give those opinions a platform and perhaps a credibility that they might not otherwise have had.

On the other hand, perhaps because of my previous career, I was adamant that the opinions expressed and the conclusions drawn in the report of the committee would be based on evidence presented, tested and weighed by the committee itself.

I, at least, was somewhat frustrated initially by the process to be followed. It was a little unusual, to say the least. To give a couple of examples, the notice of the first meeting of the committee indicated that there would be witnesses. When I inquired who those witnesses would be, I was told that that information would remain confidential until the meeting.

Initially, there were no transcripts of the proceedings, even for committee members. Needless to say, the chair's and the deputy chair's approach to these and many other issues were poles apart. Such matters should have been resolved by the steering committee. There was a steering committee, but it never met.

Inevitably, the procedural issues ended up being debated at the committee meetings themselves. No wonder our first clerk gave us up part way into the hearings. The replacement, who with fortitude and tenacity managed this project through to the end, immediately left to join the staff of the Human Rights Commission. On behalf of the committee, I wish to thank both Barbara Reynolds and Nadine Huggins for their professionalism, patience and good humour.

•(1540)

The final report and recommendations are the result of discussion and considerable compromises among the committee members. I believe the fact that this report is unanimous and without dissenting opinions is largely due to the experience, common sense and diplomacy of Senators Corbin, LeBreton, Andreychuk and P  pin. I should like to personally thank them.

As sometimes happens in these inquiries, two senators, Senator Kelly and myself, took many of the initiatives and did considerable independent investigation and research, both personally and through our researchers. However, the other members of the committee, whom I have just mentioned, subjected that evidence to their scrutiny, the drafts of the report to their wisdom, and the chair and the deputy chair to their experience and common sense. Largely as a result of their efforts, the inquiry was enhanced and the final report is balanced and unanimous and I support it.

Honourable senators, the overall message that I wish to convey to you today, as a result of our inquiry, is that Canadians are well served by the security and intelligence agencies and professionals within the Government of Canada. Any individual or organization that might assume that because we are an open and democratic society which puts a high value on individual rights and freedoms and makes Canada a soft target for terrorist activity would do so at their peril. This field, like so many, must constantly adjust to and anticipate challenge from a changing world of politics and technology. After six months of inquiry, research and expert testimony, I — and I believe the majority of senators on the committee — was reassured that Canada is well aware of the risks and has taken or is taking the necessary steps to address them. That is why I would have preferred that much of our proceedings had been public and that only the very sensitive evidence and information had been taken *in camera*. I believe many Canadians like me would have been reassured and much light could have been shed on an area that for too long has been cloaked in unnecessary secrecy.

I know, honourable senators, that by now each of you will have read the report from cover to cover. Let me briefly outline some of the structures and processes currently in place, which contribute to this sense of confidence. The policies and priorities

of Canada relating to security and intelligence are provided by the ministers who meet on security and intelligence. This meeting normally includes the Ministers of Foreign Affairs, National Defence, Solicitor General and Justice, and is chaired by the Prime Minister. The committee is supported by a secretariat in the Privy Council Office that coordinates the activity of the community on a day-to-day basis. In addition, the Clerk of the Privy Council chairs the Interdepartmental Committee on Security and Intelligence, called ICSI, which reviews major policy, resource and operational proposals being made to cabinet, advises the ministers meeting on priorities and considers major intelligence issues. There are other analytic and coordinating functions in more detail in the report.

At the operations level of security intelligence, there are two principal intelligence gathering agencies. The Canadian Security Intelligence Service gathers, analyzes and communicates intelligence information relating to the domestic security of Canada and Canadians and takes preventative measures such as the deportation of known terrorists. The communications security establishment, on the other hand, monitors and analyzes foreign communications of all kinds. It should be noted that this agency is prohibited from monitoring domestic or Canadian communications of any type.

The RCMP and the appropriate local police forces are responsible for the protection and enforcement in cases of anticipated or actual illegal acts and the RCMP is the lead agency on the ground in the event of a terrorist incident. The evidence showed full cooperation between CSIS and the RCMP at all levels, and the same was true between local forces, for example, the Ontario Provincial Police and the Peel Regional Police and the two federal agencies.

There is a National Counter-Terrorism Plan that sets out the mechanism and protocols for responding in the event of a terrorist incident. It establishes the relationship between the police officer in charge at the scene with other responders as well as up the line to the responsible minister, normally the Solicitor General. In any major incident, the Canadian Forces Joint Task Force Two, JTF2, a highly trained, specially equipped mobile unit, stands ready to respond to the call of the civilian authority.

Honourable senators, the members of the committee had the opportunity and privilege of observing some of the facilities and capabilities of our security and intelligence community. We received detailed explanations and candid answers to our questions. Believe me, Canada is no soft target. However, there are a number of areas that will demand increased attention and resources going forward.

Canada is one of the most advanced nations of the world in terms of power generation and transmission, telecommunications and information technology. These advanced technologies and infrastructures have greatly assisted Canada in bridging our vast geography and enhancing our global interconnections, but they have also increased our vulnerability to potential terrorist disruption. The ice storm of last year is a small example of the impact of disruptions to our essential infrastructures.



What a wonderful opportunity the turn of the century provides for a cyber-terrorist to disrupt national and international systems under the cover of the expected Y2K confusion. Canada needs the capability to assess and reduce our vulnerabilities to prevent and respond not only to physical but also cyber attacks on both private and public infrastructures.

Second, cryptography allows messages passed over the Internet to be coded in such a way as to be readable only by a receiver who has a key to unlock the code. This has wonderful privacy advantages for legitimate global transactions. However, it means that intelligence agencies, even with judicial authorization to audit messages, cannot decipher what they hear or what they read. Research, resources and international cooperation will be required to level the playing field for our security and police to do their work.

Third, changing global politics over the past number of years has seen the breakup of the Soviet Union, divisions within various nations, and a proliferation of groups with agendas driven by nationalism, tribalism and various ideologies. At the same time, access to materials and information worldwide has increased the possibility of terrorist use of weapons of high casualty potential; nuclear, biological and chemical weapons. Every expert witness before our committee who was asked indicated that the likelihood of the use of such weapons in Canada is very low in their opinion. However, the potential destruction and loss of life involved in a single successful attack requires that Canada be prepared to respond.

The U.S. is expending billions of dollars in preparation for such an incident, as well as to counter cyber-terrorism. Canada and the U.S. have excellent relations on matters of security and cooperate closely and broadly in these and other areas.

•(1550)

As in all areas of international terrorism our best defence is international cooperation and a commitment to deal with these threats. The committee recommends that Canada at all levels of government must be prepared to encounter the impact of such weapons. The people who respond to the initial report of an incident are the local police, firefighters and emergency medical personnel. They are referred to as first responders.

We need trained first responders across Canada to identify and respond to a nuclear, biological or chemical incident or attack. They need to have appropriate protective and diagnostic equipment. Joint training exercises should occur among the DND, the RCMP and the first responders throughout the country. The training and equipping of first responders on a national capital region model, or an enhanced version would be a good place to start.

The final area upon which I wish to make a comment is that of immigration refugees and the smuggling of aliens across the Canada-U.S. border. Senator Kelly pointed out the problems and risks, and there is a detailed recitation of these issues in our report.

I also wish to utter some words of caution. The evidence before our committee was that the smuggling of illegal immigrants into Canada and illegal aliens into the United States from Canada, is a greed-driven, for-profit criminal activity, not a terrorist activity. Indeed, in many cases, the same avenues, methods and people who are now smuggling people for profit are used for smuggling cigarettes. I can recall no evidence that terrorists had used this traffic to move back and forth across the border. This is a matter of criminal activity, not national security.

The issue of refugees arriving at ports of entry in increasing numbers and the ability to manage that influx appropriately must be addressed. Knee-jerk and simplistic responses should be avoided. For example, a provincial attorney general recently mused that perhaps all refugees should be detained for a specific period of time. Years ago, refugees and immigrants used to be quarantined for potential diseases, and immigrants and citizens with yellow skin were once interned for security reasons. In my opinion, these are not examples to follow.

As long as we live in the best country in the world and as long as the number of people in desperate circumstances continues to increase, Canada and the U.S. will be seen as a haven if not a heaven to these people. Canada must develop an enlightened and modern approach to this issue.

Finally, on the matter of the review of the activities of the security intelligence community, the report provides informative and detailed information. There are two review levels for the Canadian Security Intelligence Service, the inspector general who acts basically as an internal auditor, and the Security Intelligence Review Committee which conducts an external review. Every witness appearing before us indicated that these mechanisms are working well.

A commissioner who was appointed in 1996 under the Inquiries Act reviews the communications security establishment. This is also functioning well, but the committee recommends that this agency should be set up by an Act of Parliament and that act would include permanent review mechanisms separate from but modeled on the Security Intelligence Review Committee.

I am not as concerned as some others on the committee with a parliamentary review. Evidence was led that some other parliamentary democracies see our present system in this area as superior. Other systems in other countries are being disbanded.

I have a practical concern that members of the committee need to spend most of their time and effort carrying out their mandates, not preparing for reviews. Parliament must always have the authority to review the activities if and when required.

In retrospect, honourable senators, this has been an interesting learning experience for me. I appreciated working with the members of the committee, including Senator Kelly, although someone suggested that one of us was rather stubborn.

In any event, I recommend the report to you.

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, although there seems to be some doubt in the mind of Senator Bryden that some senators would read this report, let me assure him that I did read the report from cover to cover. In my analysis of the report, I became aware of what I considered to be a conflict with respect to the business of the Senate at the present time.

One of the recommendations of this report relates to the establishment of a standing committee on security. That matter is under debate in the Standing Committee on Privileges, Standing Rules and Orders at the present time and they have not yet reported. This matter is under active consideration.

In particular, I examined the way in which this report was placed before the Senate. This is a motion to approve the committee's report. If we approve the committee's report, we are, in essence, subverting the work of the Rules Committee. Therefore, I would like to make an amendment to the report of Senator Kelly.

I have Senator Kelly's approval for this amendment

#### MOTION IN AMENDMENT

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I move:

That the report be not now adopted, but that it be amended by deleting recommendation number 33 and that recommendation number 33 be referred to the Standing Committee on Privileges, Standing Rules and Orders for consideration and report.

**The Hon. the Acting Speaker:** Honourable senators, is it your pleasure to adopt the motion in amendment?

**Some Hon. Senators:** Agreed.

**Hon. A. Raynell Andreychuk:** Honourable senators, I intended to move the adjournment of the debate.

• (1600)

**Hon. Noël Kinsella (Acting Deputy Leader of the Opposition):** I rise on a point of order. We wish the motion on the amendment to be subject to debate. I thought Senator Andreychuk was rising to adjourn the debate on the amendment. The amendment which you read is not passed.

**The Hon. the Acting Speaker:** Are honourable senators clear that we are voting on the adjournment of the debate on the amendment proposed by Senator Carstairs?

**Senator Kinsella:** Honourable senators, we are calling for debate on the amendment, and the debate will be adjourned by Senator Andreychuk. Therefore, we are not voting on anything.

On motion of Senator Andreychuk, debate adjourned.

## THE ESTIMATES 1998-99

### RETENTION AND COMPENSATION ISSUES IN THE PUBLIC SERVICE—REPORT OF NATIONAL FINANCE COMMITTEE— DEBATE ADJOURNED

The Senate proceeded to consideration of the ninth report of the Standing Senate Committee on National Finance, presented in the Senate on February 18, 1999.

**Hon. Terry Stratton** moved the adoption of the report.

He said: Honourable senators, we first heard of the problem regarding the civil service in media reports in the fall of 1997. There was one broadcast by the CBC on Jason Moscovitz's Saturday morning parliamentary show, and then further written reports in various newspapers. The reports expressed concern about the number of senior level employees leaving the civil service.

The government shared the concern at that time and the Public Management Research Centre carried out focus groups. The concerns of civil servants were both monetary and non-monetary. They were concerned about the public perception of the value of their work, and they were dissatisfied with the responsibilities and authority they had.

The government then established an advisory committee on senior level retention and compensation, chaired by Lawrence Strong, Jocelyn Bourgon, then Clerk of the Privy Council, stated in her fourth report:

There is a "quiet crisis" underway in the public service today. It is quiet because few people are aware of the crisis, and even fewer people have started to do something about it.

The government then began a program called La Relève to build a modern and vibrant public service. I suggest that this will take time. However, we are still faced with the crisis.

The Committee on National Finance heard from various witnesses, including Marcel Massé, the President of the Treasury Board; Lawrence Strong; representatives of the various unions, the Auditor General, the Department of National Defence and the Department of Justice. We heard from those departments on how they were progressing with the rebuilding of the civil service.

Over the course of the committee's inquiry into conditions in the public service it was possible to identify a number of factors that affect recruitment and retention of employees in the public service:

First, there was a serious demographic problem that threatened the quality of service that Canadians have come to expect from their government. In simple terms, the public service is ageing rapidly, and there is a concern that not enough has been done to ensure that experienced employees will replace those who are retiring.



Second, there is a morale problem that stems from the general criticism aimed at the public service by the media and politicians during the 1990s. After this public onslaught on the value of public employees, the government, as part of its fiscal policy, began systematically to dismantle a large part of its infrastructure and to lay off workers through buy-outs and early retirement packages. While the government was successful in achieving some degree of fiscal stability, the program review exercise had a devastating effect on the self-esteem of employees in the public service.

Finally, there is a monetary concern related to the six-year pay freeze and the relatively low pay offers — 2.5 per cent to civil servants versus 3.8 per cent last year across the board in the private sector — made by the government now that negotiations with employees have resumed. That is quite a substantial difference, although it may not sound like a lot.

The government's compensation policy may be undermined by the apparent uneven treatment of different levels of employees. That factor, as well as others, bears on the ability of the government to attract new recruits and to retain experienced employees.

Since 1992, cuts in recruitment levels and retirement incentive packages have combined to create a public service that is under-represented among young people and among persons above 50 years of age. This government must find a way to recruit more young people and to encourage older workers with experience to remain with the public service beyond the normal retirement age.

Canada's public service is getting old and is about to retire. Demographic evidence shows that about 90 per cent of senior level executives in the public service will be eligible for retirement benefits by the year 2005. The portion of executives that could retire from the public service in a 10-year period without penalty stood at 51 per cent in 1992. The same group accounted for 70 per cent of employees in 1997. While they may not retire, the possibility exists that the public service could suffer a major loss of senior employees.

Among junior levels, 70 per cent of employees are approaching retirement. This presents Canadians with a startling proportion of employees who are eligible to retire early in the new millennium and who are currently predisposed to doing so. The current public service pension provides no financial incentive for employees to remain after the age of 55.

Exacerbating the problem are the recent practices of program review which did not take this eventuality into account when the public service workforce was cut back. Older employees are under-represented at this time because the massive downsizing created incentives to make it easier for workers in their fifties to leave without pension penalties.

Furthermore, since the selection of eligible employees was achieved on a voluntary basis, many who left were among the best employees. There may not have been adequate consideration given to retaining the most effective and experienced employees.

Loss of so many experienced employees in so short a period of time is a matter of grave concern. Already the office of the Auditor General has noted that the government is currently experiencing significant problems with some programs because of staff shortages. In particular, it is not always able to hire experienced workers to replace those who are leaving. With an increasing number of persons having less experience filling these vacancies, the Auditor General is fearful that the quality of service could suffer. He is concerned that the new recruits into the upper levels of management will not have been given sufficient opportunity to develop the kind of vision, versatility, experience, and expertise required at the uppermost levels.

Another worrisome aspect of the demographic profile to the public service is that there are not enough young employees. The entire service is getting older, and that is a concern. Younger employees are absent because the public sector has not recruited to any large degree for almost 10 years. Some witnesses expressed concern that the government would not be able to attract young persons because of a negative connotation associated with public service employment. According to this view, the best and the brightest of our college and university graduates no longer wish to consider a career in the public service. Young people do indeed apply to the public service, but we do not hire many. Those that we hire tend to leave for the private sector after gaining a few years of experience because there is more pay and respect within the community when you work in the private sector.

If action is not taken soon, the public service will be increasingly at risk of not only losing the talent that it has developed for future needs but also losing existing talent to early departure to the private sector. Years of wage and recruitment freezes, downsizing, voluntary departures and the ageing of the public service are causing a serious demographic imbalance within the public service.

The committee believes that the federal government should be concerned both about the lack of youthful employees and the accelerated loss of experienced workers. The crisis will not be something like a strike or anything of that nature; it is that experienced workers achieving 55 years of age can walk out the door with pensions and just say goodbye. They will quietly disappear, and nothing will be heard about it until there is another crescendo reached by these people leaving. This must be dealt with soon.

I appreciate there are efforts underway to deal with this situation, but there is a huge morale problem because you are giving large wage settlements to some of the upper management levels, out of necessity. Otherwise, they would leave for the private sector, and that is exemplified by pilots in the Armed Forces leaving to go and fly in the private sector despite the fact they received increases and bonuses. However, the size of increases at that level has a negative impact on the middle and ordinary folks in the civil service who get 2.5 per cent. There is then a clawback through Canada Pension and a further clawback through their government pension increases. The government will increase the contributions from 30 to 40 per cent on their pensions, so the net effect of a 2.5 per cent increase is virtually 1 per cent.



It is a serious problem, and I do not have a magic button here that can solve it. It will take time, and it is a critical issue.

I commend the report to the Senate.

On motion of Senator Carstairs, for Senator Cools, debate adjourned.

## FAMILY VIOLENCE

### INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Carstairs calling the attention of the Senate to the magnitude of family violence in our society and, in particular, the need for collaborative efforts to seek solutions to the various aspects of this form of violence.—(*Honourable Senator Cools*).

**Hon. Erminie J. Cohen:** Honourable senators, it is far more widespread than AIDS and destroys more lives than heart disease, cancer, or automobile accidents. What is it? You may be surprised to learn that I am speaking of family violence.

Over the past several decades, Canadian society has been shocked by the disclosure of family violence in its many forms and astounded that family violence in our communities has reached such alarming proportions. This issue needs our constant attention, and I thank Senator Carstairs for this inquiry and for initiating the debate with such eloquence and heartfelt conviction.

In the 1960s, we were alerted to the shocking incidence of child abuse, and we focused our attention on the child's right to live free from abuse. In the 1970s, we rallied against the abuse of women, with wide-scale focus on wife battering, sexual assault, and harassment. It was in the 1980s that elder abuse reared its ugly head.

Mistreatment of seniors was given primacy by the press because of the gravity of the issue and the phenomenal growth of the senior population in Canada. It is now acknowledged that elder abuse is a complex problem that touches a significant number of Canadians.

As 1999 is designated the International Year of the Older Person, I will address the problem of elder abuse as a form of family violence which is, unfortunately, becoming more and more prevalent.

The Muriel McQueen Fergusson Centre for Family Violence in Fredericton, New Brunswick, describes elder abuse as "quiet suffering." The foundation claims that a significant number of Canada's elderly people are neither happy nor safe and are being victimized in their own homes by family members or caregivers.

According to Statistics Canada, most researchers agree that senior abuse involves abuse by persons with some degree of intimacy or emotional closeness to the elderly victim, including

family members and non-family caregivers. Like child abuse, senior abuse can take many forms, including violence, neglect, and mistreatment.

However, four types of abuse are most common, and the Family Violence Division of Health Canada defines them as follows: Physical abuse is assault, rough handling, sexual abuse, or the withholding of physical necessities such as food, personal care, hygienic care, or medical care. Psychological abuse is verbal assault, social isolation, lack of affection, or denying seniors the chance to participate in decisions with respect to their own lives. Financial abuse is the misuse of money or property, and this can include fraud or using the funds of elders for purposes contrary to their needs and interests.

Honourable senators, financial abuse is the single most prevalent category. Conscious neglect is described as a deliberate decision of a caregiver not to meet the needs of the elderly person. In passive neglect, the caregiver does not intend to injure the dependent elder.

Currently, there are still no national statistics on the prevalence or incidence of senior abuse in Canada; however, there are two sources which can provide some information. They are the National Survey on the Occurrence of Elder Abuse conducted in 1989 and the police records gathered by the Canadian Centre for Justice Statistics. The national survey was based on 2,000 telephone interviews with older people in private dwellings and highlighted many problems older persons in Canada face in regard to abuse.

Approximately 19,000 elderly persons are victims of more than one form of abuse, and we already know it is probably only the tip of the iceberg. Chronic verbal aggression, a component of psycho-social abuse, affects approximately 34,000 elderly Canadians, while 12,000 seniors in Canada experience physical abuse and 10,000 are neglected by their caregivers, an appalling situation.

It is recognized that victims of physical abuse are more likely to be married, and female victims of abuse outnumber male victims by approximately five to three.

•(1620)

For a variety of reasons, victims do not seek the assistance of social service or law enforcement agencies. However, there is some data available from police records which is collected by the Canadian Centre for Justice Statistics. This centre produces an annual report on family violence which deals with abuse of spouses, children and older adults.

The 1998 report finds that older adults made up 12 per cent of the Canadian population in 1996, the equivalent of 3.6 million people aged 65 and over. They were the victims in 2 per cent of violent crimes reported to the police. Some one-fifth of these crimes were committed by a family member. Older women continue to be abused by their partners as they age; and 42 per cent are most often victimized by a spouse. Some 59 per cent of older men are most often victimized by an adult child.

The proportion of older adults in Canada is projected to increase to 17 per cent by 2016, and to 23 per cent by 2041. Therefore, with the ageing of the Canadian population, the study of elder abuse must become a priority to help service providers, the justice community and society in general.

Improving the quality of life of older persons in Canada by ensuring their physical, material and psychological security has been the concern of many groups, governmental and otherwise. They find it difficult to determine the extent to which seniors are being abused, whether psychologically, physically or financially, because like those for spousal abuse and child abuse, statistics on elder abuse are incomplete because a large number of incidents are concealed and/or unreported. In fact, seniors are often reluctant to report abuse for a number of reasons. They may feel ashamed, guilty or fearful, or they may want to protect the abuser because of emotional, physical or financial dependency — a pathetic position to be in.

Dorothy Dacey, an expert in the field of domestic violence, believes that all forms of this type of violence are related. She states:

...it's very sad to say that often the abuse relates to the perceived vulnerability of the person. When it's a family member, it's a matter of lashing out at the one person who they can lash out at.

Research findings further indicate that seniors are vulnerable to abuse most often by those on whom they are dependent for food, shelter, care or companionship. The more the older person is dependent, the more vulnerable they are to abuse, for example, those suffering from mental or physical disabilities.

Most senior abuse is committed by a family member who was often dependent on the older adult for money or shelter. In institutions, this abuse often takes the form of neglect and lack of respect. Victims of abuse, as well as abusers, come from all economic, social and cultural backgrounds.

There are also some situational risk factors associated with elder abuse, such as isolation, lack of money and unsatisfactory living arrangements. The problem of abuse is obviously not new. However, the revelation of it, coupled with the knowledge that abuse is widespread, is only now starting to register. The most disheartening problem of family violence is that there are new victims every day.

Elder abuse can no longer be our country's ugly secret. The violence and abuse no one wanted to acknowledge for generations has leaked out of the closet. This knowledge has invaded our lives and our communities. It is now something which we can no longer ignore.

On a federal level, the government has done much to encourage and support research and concrete action dealing with elder abuse in Canada through the Family Violence Prevention Division within Health Canada and the Family Violence Initiative introduced in 1988 which involved seven federal departments and agencies.

Funding of research and programs has helped to improve our understanding of elder abuse. The ultimate solution to any type

of violence is primary prevention. Our society is creating violent children and youth who become violent adults. However, no single intervention strategy will solve the problem of violence. We need a comprehensive, multi-disciplinary approach which will transform our culture — not an easy task.

We need to understand that we do not evolve as individuals, we evolve as communities. We are all interdependent, both socially and emotionally. We need a vital, invested community that recognizes family violence as a serious social problem with short and long-term implications for survivors, their families and society as a whole.

The solution to the problem of domestic and family violence lies in a drastic change in our institutions and our economy, a restructuring of our society to eliminate inequality and dependency. However, honourable senators, we can feel hopeful when we consider that victims are talking about violence and Canadians are listening. We are working together for solutions.

To quote Jennifer Baker Flemming, a pioneer in the field of domestic violence:

Abuse will cease when it is no longer a socially acceptable institution.

On motion of Senator Callbeck, debate adjourned.

## NATIONAL DEFENCE

### MOTION TO ESTABLISH SPECIAL COMMITTEE TO EXAMINE ACTIVITIES OF CANADIAN AIRBORNE REGIMENT IN SOMALIA— MOTION IN AMENDMENT—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Lynch-Staunton, seconded by the Honourable Senator Berntson:

That a Special Committee of the Senate be appointed to examine and report on the manner in which the chain of command of the Canadian Forces both in-theatre and at National Defence Headquarters, responded to the operational, disciplinary, decision-making and administrative problems encountered during the Somalia deployment to the extent that these matters have not been examined by the Commission of Inquiry into the Deployment of Canadian Forces to Somalia;

That the Committee in examining these issues may call witnesses from whom it believes it may obtain evidence relevant to these matters including but not limited to:

1. former Ministers of National Defence;
2. the then Deputy Minister of National Defence;
3. the then Acting Chief of Staff of the Minister of National Defence;

4. the then special advisor to the Minister of National Defence (M. Campbell);

5. the then special advisor to the Minister of National Defence (J. Dixon);

6. the persons occupying the position of Judge Advocate General during the relevant period;

7. the then Deputy Judge Advocate General (litigation); and

8. the then Chief of Defence Staff and Deputy Chief of Defence Staff.

That seven Senators, nominated by the Committee of Selection act as members of the Special Committee, and that three members constitute a quorum;

That the Committee have power to send for persons, papers and records, to examine witnesses under oath, to report from time to time and to print such papers and evidence from day to day as may be ordered by the Committee;

That the Committee have power to authorize television and radio broadcasting, as it deems appropriate, of any or all of its proceedings;

That the Committee have the power to engage the services of such counsel and other professional, technical, clerical and other personnel as may be necessary for the purposes of its examination;

That the political parties represented on the Special Committee be granted allocations for expert assistance with the work of the Committee;

That it be empowered to adjourn from place to place within and outside Canada;

That the Committee have the power to sit during sittings and adjournments of the Senate;

That the Committee submit its report not later than one year from the date of it being constituted, provided that if the Senate is not sitting, the report will be deemed submitted on the day such report is deposited with the Clerk of the Senate; and

That the Special Committee include in its report, its findings and recommendations regarding the structure, functioning and operational effectiveness of National Defence Headquarters, the relationship between the military and civilian components of NDHQ, and the relationship among the Deputy Minister of Defence, the Chief of Defence Staff and the Minister of National Defence,

And on the motion in amendment of the Honourable Senator Forrestall, seconded by the Honourable Senator

Beaudoin, that the motion be amended by adding in paragraph 2 the following:

"9. the present Minister of National Defence."—(*Honourable Senator Carstairs*)

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, the past few years have been turbulent ones for the Canadian Armed Forces. The Canadian Forces and the Department of National Defence have been challenged to respond to successive budget cuts, personnel reductions and a very active slate of operations both at home and abroad.

Nevertheless, the events surrounding the deployment of the Canadian Forces to Somalia have been at the heart of four years of turmoil for the Canadian Forces. The tragic events that tarred the Somalia deployment were not and are not reflective of the Canadian Forces as a whole — far from it. Nevertheless, the deployment did reveal some weaknesses in the forces that needed to be addressed. These weaknesses have been assessed extensively, not just by the Somalia commission but by a number of other internal and external bodies as well.

In response, the Department of National Defence and the Canadian Forces have set in motion a comprehensive program of reforms. Pressing on with these changes will better serve to strengthen the forces as a vital national institution than continuing to revisit past events.

The issues surrounding the Somalia deployment have been extensively reviewed. No less than four separate reviews address these issues. The first was the report of the Department of National Defence Board of Inquiry. Although only the first phase of this board was completed before the Somalia commission of inquiry was convened, it made 33 major recommendations. As a result of these recommendations, the Canadian Forces developed, among other things, a harassment and racism awareness program and a zero tolerance approach to racism.

A second review took the form of the post-operations report produced by the Deputy Chief of the Defence Staff. This report contained 18 major recommendations and 140 subordinate recommendations on subjects ranging from training, operations, personnel, equipment and command and control.

•(1630)

The product of this lessons-learned exercise was publication of the "Joint Doctrine for Canadian Forces Joint and Combined Operations." In addition, the Canadian Forces reviewed the way in which they prepare for missions. This review covered rules of engagement which arose as a key issue during the Somalia mission. The force's new approach to developing rules of engagement was used in negotiating the rules of engagement for NATO's peace implementation force in Bosnia and has won considerable praise from our allies. Indeed, as a reflection of the improvements the forces have made of this area, Canada played a major role in adopting rules of engagement for the UN's mission in Haiti.



The third assessment of the events in Somalia was undertaken by the Commission of Inquiry into the Deployment of the Canadian Forces to Somalia, chaired by Justice Létourneau. The commission's review was extensive. In a process that spanned over two years, the commission heard some 116 witnesses over 183 days, amounting to over 38,000 pages of hearing transcript. It reviewed over 150,000 documents and released 419 document books. All of this resulted in a final report that totalled nearly 1,700 pages, containing some 160 recommendations.

The fourth review to examine the events in Somalia was the report of the Minister of National Defence to the Prime Minister on the leadership and management of the Canadian Forces. This report, which addresses many of the same concerns raised by the Somalia commission, sets out a comprehensive plan to reform aspects of the Department of National Defence and the Canadian Forces. The report reflects the views of many Canadians, including some of Canada's most distinguished military experts. The report included a review of the military justice system, lead by the Right Honourable Brian Dickson, former chief justice of the Supreme Court of Canada. Chief Justice Dickson made 35 proposals for changes to the military justice system, all of which were recommended to the Prime Minister. In total, the Prime Minister received 100 recommendations for change in the Canadian Forces.

New officers will require a university degree, the only exception to this rule being those officers commissioned from the ranks. This level of education we hope will enhance the ability of officers to deal capably and professionally with the wide variety of complex challenges they face on a daily basis, especially in operations.

To ensure that they retain and develop their leadership skills, officers will receive professional development in areas like leadership, ethics and management as their careers progress. Action will also be taken to improve the training and development of Canadian Forces non-commissioned members.

The way in which Canadian Forces assess and promote personnel will also be improved. This effort will include the establishment of a systemic and rigorous review of the performance of all personnel at the end of their initial period of service to determine their fitness for reappointment.

Honourable senators, a sound military justice system is essential to a sound armed forces. How well it functions will have a direct effect on both morale and discipline.

The special advisory group headed by Chief Justice Dickson made far-reaching recommendations that would amount to a significant reform of the Canadian military justice system. It is proposed that the investigative, prosecutorial and judicial functions within the military system be separated to avoid real and perceived conflict of interest; the rights of individuals be afforded greater protection; the military policing capability of the Canadian Forces be significantly improved; and the oversight and review of the military justice system as a whole be strengthened.

Steps are also proposed to make the military grievance system fairer and more responsive. An ombudsman will be established to assist any member of the department or the forces, military or civilian, who feels that they have been treated improperly in any matter. These proposed measures will ensure a rigorous transparent and fair military justice system that treats all members of the forces, from the newest recruit to the most senior general, in the same manner.

Honourable senators, the government has also responded to questions that have been raised about the organization and accountability of National Defence Headquarters. Critics have suggested that the headquarters should be reorganized to separate its military and civilian functions. The report to the Prime Minister concluded that civilian military integration at the national headquarters remains a desirable feature — one that we share with our major allies — and that the respective roles of the military and civilian parts of the headquarters were warranted. While the essential structure of the headquarters was found to be sound, some specific measures to improve its functioning were identified. In this regard, the following specific steps have been taken.

Military advice conveyed to the minister and cabinet is now clearly identified as such in all appropriate documents; accountability to the Deputy Minister and the Chief of the Defence Staff, among the senior staff, has been clarified.

The practice of having both the Deputy Minister and the Chief of the Defence Staff sign memoranda has been ended, except for the documents for which they have clearly equal responsibility.

The nature and functioning of an integrated national headquarters will be taught in all management courses and fully explained through internal communications. Courses for senior military officers will include a component specifically designed to teach them how to operate effectively in an integrated civil-military headquarters. Officers with the potential for promotion to senior ranks will be provided with appropriate exposures to the integrated national headquarters earlier in their career.

The report to the Prime Minister and the report to the Somalia commission both underscored that in today's society government institutions must be open and transparent. In this regard, DND has taken a number of measures to improve public access to information. These measures include increased training for military and civilian personnel to meet the increased priority that has been given to access and privacy issues. In addition, the department has increased the staff assigned to manage access matters, improved procedures and employed new technologies to quicken the response to access to information requests. These measures reflect a commitment to transparency at a time when openness is essential.

Honourable senators, the events of Somalia have resulted in a great deal of controversy and public scrutiny of the Canadian Forces, but they have also been the impetus for far-reaching reforms. Revisiting the history of the mission itself would not, in my view, be constructive. Instead, we must press on with reforms

that reflect what we have learned from the events in Somalia. It is only by doing this that we will be able to put the events of Somalia behind us and strengthen the Canadian Forces as a vital national institution that can serve Canadians effectively at home and abroad.

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, would the deputy leader respond to some questions of clarification?

**Senator Carstairs:** Yes.

**Senator Kinsella:** The honourable deputy leader made reference to the recommendation which I believe she said was in the report of the Minister of National Defence to the Prime Minister concerning the establishment of an ombudsman. Could the honourable senator advise us whether the position of ombudsman has been established?

**Senator Carstairs:** It is my understanding that the position has indeed been established.

**Senator Kinsella:** The Honourable Senator Carstairs has drawn our attention to four different inquiries or investigations into DND and its relationship to Somalia. The first was a board of inquiry that only got as far as Phase 1. Is that correct?

**Senator Carstairs:** Yes, my understanding is that it only got to Phase 1, because it was replaced by another.

**Senator Kinsella:** Honourable senators, we have a first study that was not completed. They only completed Phase 1. Then the Deputy Chief of the Defence Staff did a study, not the Chief of the Defence Staff. Does the honourable senator know why a study was done at the deputy level rather than at the level of the Chief of the Defence Staff considering that the U.S. State Department's report on Canada for the year under review dealt with extraterritorial killing by Canada? That was the issue of focus in the State Department's examination of Canada that year. Is it the honourable senator's view that a study done at the Deputy Chief of the Defence Staff level rather than the Chief of the Defence Staff level was appropriate?

**Senator Carstairs:** Honourable senators, given the responsibilities of the Chief of the Defence Staff, it would be prudent, on his part, to ensure that whomever was assigned this duty had adequate time and resources to conduct a thorough study.

**Senator Kinsella:** The third study, of course, was by the Létourneau commission. As all honourable senators know, that

commission was cut short. The record shows that the commissioner himself, Mr. Justice Létourneau, lamented the fact that the then minister, Doug Young, had cut off that inquiry.

●(1640)

The fourth investigation that the honourable senator referenced was a study done by the Minister of National Defence who made a report to the Prime Minister.

These four studies seem to be the essence of the honourable senator's argument and the core of her presentation today. None of these studies speak to the motion. The motion before us, honourable senators, as brought before this chamber by Senator Lynch-Staunton, is that a parliamentary committee be established to investigate the matter.

My question is simply this: Does the honourable senator not see a difference between a parliamentary inquiry and these administrative inquiries, save and except the commission of inquiry of Mr. Létourneau which was cut short by the minister?

**Senator Carstairs:** Clearly there is a difference between a parliamentary committee of any kind and an investigation so conducted. The question is whether this issue has been investigated thoroughly enough, and my contention is, yes, it has. It is time to put it to bed. It is time to let the military get on with what they are supposed to be doing.

**Senator Kinsella:** Does the honourable senator or does she not believe in accountability to Parliament by members of the ministry, including the minister responsible for National Defence?

**Senator Carstairs:** Honourable senators, I certainly believe in accountability, and I believe there has been accountability in this matter. It is more important that the Canadian Armed Forces be allowed to put this very sad incident behind them, as they need to get on with the absolute function of the Canadian forces in this country.

**Senator Kinsella:** If the honourable senator believes in parliamentary accountability, it must be noted that of the four studies she cited, none speak to parliamentary accountability. They all speak to internal administrative reports.

On motion of Senator Kinsella, debate adjourned.

The Senate adjourned until Wednesday, March 3, 1999, at 1:30 p.m.





## **APPENDIX**

Officers of the Senate

The Ministry

Senators

(Listed according to seniority, alphabetically and by provinces)

Committees of the Senate

**THE SPEAKER**

THE HONOURABLE GILDAS L. MOLGAT

**THE LEADER OF THE GOVERNMENT**

THE HONOURABLE B. ALASDAIR GRAHAM, P.C.

**THE LEADER OF THE OPPOSITION**

THE HONOURABLE JOHN LYNCH-STAUNTON

---

**OFFICERS OF THE SENATE****CLERK OF THE SENATE AND CLERK OF THE PARLIAMENTS**

PAUL BÉLISLE

**DEPUTY CLERK, PRINCIPAL CLERK, LEGISLATIVE SERVICES**

RICHARD GREENE

**LAW CLERK AND PARLIAMENTARY COUNSEL**

MARK AUDCENT

**USHER OF THE BLACK ROD**

MARY McLAREN

# THE MINISTRY

According to Precedence

(March 2, 1999)

The Right Hon. Jean Chrétien	Prime Minister
The Hon. Herbert Eser Gray	Deputy Prime Minister
The Hon. Lloyd Axworthy	Minister of Foreign Affairs
The Hon. David M. Collenette	Minister of Transport
The Hon. David Anderson	Minister of Fisheries and Oceans
The Hon. Ralph E. Goodale	Minister of Natural Resources and Minister responsible for the Canadian Wheat Board
The Hon. Sheila Copps	Minister of Canadian Heritage
The Hon. Sergio Marchi	Minister for International Trade
The Hon. John Manley	Minister of Industry
The Hon. Diane Marleau	Minister for International Cooperation and Minister responsible for Francophonie
The Hon. Paul Martin	Minister of Finance
The Hon. Arthur C. Eggleton	Minister of National Defence
The Hon. Marcel Massé	President of the Treasury Board and Minister responsible for Infrastructure
The Hon. Anne McLellan	Minister of Justice and Attorney General of Canada
The Hon. Allan Rock	Minister of Health
The Hon. Lawrence MacAulay	Solicitor General of Canada
The Hon. Christine Stewart	Minister of the Environment
The Hon. Alfonso Gagliano	Minister of Public Works and Government Services
The Hon. Lucienne Robillard	Minister of Citizenship and Immigration
The Hon. Fred J. Mifflin	Minister of Veterans Affairs and Secretary of State (Atlantic Canada Opportunities Agency)
The Hon. Jane Stewart	Minister of Indian Affairs and Northern Development
The Hon. Stéphane Dion	President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs
The Hon. Pierre Pettigrew	Minister of Human Resources Development
The Hon. Don Boudria	Leader of the Government in the House of Commons
The Hon. B. Alasdair Graham	Leader of the Government in the Senate
The Hon. Lyle Vanclicf	Minister of Agriculture and Agri-Food
The Hon. Herb Dhaliwal	Minister of National Revenue
The Hon. Claudette Bradshaw	Minister of Labour
The Hon. Ethel Blondin-Andrew	Secretary of State (Children and Youth)
The Hon. Raymond Chan	Secretary of State (Asia-Pacific)
The Hon. Martin Cauchon	Secretary of State (Economic Development Agency of Canada for the Regions of Quebec)
The Hon. Hedy Fry	Secretary of State (Multiculturalism) (Status of Women)
The Hon. David Kilgour	Secretary of State (Latin America and Africa)
The Hon. James Scott Peterson	Secretary of State (International Financial Institutions)
The Hon. Ronald J. Duhamel	Secretary of State (Science, Research and Development) (Western Economic Diversification)
The Hon. Andrew Mitchell	Secretary of State (Parks)
The Hon. Gilbert Normand	Secretary of State (Agriculture and Agri-Food) (Fisheries and Oceans)



## SENATORS OF CANADA

## ACCORDING TO SENIORITY

(March 2, 1999)

Senator	Designation	Post Office Address
THE HONOURABLE		
Orville Howard Phillips	Prince	Alberton, P.E.I.
Herbert O. Sparrow	Saskatchewan	North Battleford, Sask.
Gildas L. Molgat, Speaker	Ste-Rose	Winnipeg, Man.
Edward M. Lawson	Vancouver	Vancouver, B.C.
Bernard Alasdair Graham, P.C.	The Highlands	Sydney, N.S.
Raymond J. Perrault, P.C.	North Shore-Burnaby	North Vancouver, B.C.
Louis-J. Robichaud, P.C.	L'Acadie-Acadia	Saint-Antoine, N.B.
Jack Austin, P.C.	Vancouver South	Vancouver, B.C.
Paul Lucier	Yukon	Whitehorse, Yukon
Willie Adams	Northwest Territories	Rankin Inlet, N.W.T.
Philip Derek Lewis	St. John's	St. John's, Nfld.
Reginald James Balfour	Regina	Regina, Sask.
Lowell Murray, P.C.	Pakenham	Ottawa, Ont.
C. William Doody	Harbour Main-Bell Island	St. John's, Nfld.
Peter Alan Stollery	Bloor and Yonge	Toronto, Ont.
Peter Michael Pitfield, P.C.	Ontario	Ottawa, Ont.
William McDonough Kelly	Port Severn	Mississauga, Ont.
Leo E. Kolber	Victoria	Westmount, Qué.
John B. Stewart	Antigonish-Guysborough	Bayfield, N.S.
Michael Kirby	South Shore	Halifax, N.S.
Jerahmiel S. Grafstein	Metro Toronto	Toronto, Ont.
Anne C. Cools	Toronto Centre	Toronto, Ont.
Charlie Watt	Inkerman	Kuujuuaq, Qué.
Daniel Phillip Hays	Calgary	Calgary, Alta.
Joyce Fairbairn, P.C.	Lethbridge	Lethbridge, Alta.
Colin Kenny	Rideau	Ottawa, Ont.
Pierre De Bané, P.C.	De la Vallière	Montréal, Qué.
Eymard Georges Corbin	Grand-Sault	Grand-Sault, N.B.
Brenda Mary Robertson	Riverview	Shediac, N.B.
Jean-Maurice Simard	Edmundston	Edmundston, N.B.
Michel Cogger	Lauzon	Knowlton, Qué.
Norman K. Atkins	Markham	Toronto, Ont.
Ethel Cochran	Newfoundland	Port-au-Port, Nfld.
Eileen Rossiter	Prince Edward Island	Charlottetown, P.E.I.
Mira Spivak	Manitoba	Winnipeg, Man.
Roch Bolduc	Golfe	Ste-Foy, Qué.
Gérald-A. Beaudoin	Rigaud	Hull, Qué.
Pat Carney, P.C.	British Columbia	Vancouver, B.C.
Gerald J. Comeau	Nova Scotia	Church Point, N.S.
Consiglio Di Nino	Ontario	Downsview, Ont.
Donald H. Oliver	Nova Scotia	Halifax, N.S.
Noël A. Kinsella	New Brunswick	Fredericton, N.B.
John Buchanan, P.C.	Nova Scotia	Halifax, N.S.
Mabel Margaret DeWare	New Brunswick	Moncton, N.B.
John Lynch-Staunton	Grandville	Georgeville, Qué.
James Francis Kelleher, P.C.	Ontario	Sault Ste. Marie, Ont.
J. Trevor Eyton	Ontario	Caledon, Ont.
Wilbert Joseph Keon	Ottawa	Ottawa, Ont.
Michael Arthur Meighen	St. Marys	Toronto, Ont.
Normand Grimard	Québec	Noranda, Qué.

## ACCORDING TO SENIORITY

Senator	Designation	Post Office Address
THE HONOURABLE		
Thérèse Lavoie-Roux	Québec	Montréal, Qué.
J. Michael Forrestall	Dartmouth and Eastern Shore	Dartmouth, N.S.
Janis Johnson	Winnipeg-Interlake	Winnipeg, Man.
Eric Arthur Berntson	Saskatchewan	Saskatoon, Sask.
A. Raynell Andreychuk	Regina	Regina, Sask.
Jean-Claude Rivest	Stadacona	Québec, Qué.
Ronald D. Ghitler	Alberta	Calgary, Alta.
Terrance R. Stratton	Red River	St. Norbert, Man.
Marcel Prud'homme, P.C.	La Salle	Montréal, Qué.
Fernand Roberge	Sauvel	Ville St-Laurent, Qué.
Leonard J. Gustafson	Saskatchewan	Macoun, Sask.
Erminie Joy Cohen	New Brunswick	Saint John, N.B.
David Tkachuk	Saskatchewan	Saskatoon, Sask.
W. David Angus	Alma	Montréal, Qué.
Pierre Claude Nolin	De Salaberry	Québec, Qué.
Marjory LeBreton	Ontario	Manotick, Ont.
Gerry St. Germain, P.C.	Langley-Pemberton-Whistler	Maple Ridge, B.C.
Lise Bacon	De la Durantaye	Laval, Qué.
Sharon Carstairs	Manitoba	Victoria Beach, Man.
Landon Pearson	Ontario	Ottawa, Ont.
Jean-Robert Gauthier	Ottawa-Vanier	Ottawa, Ontario
John G. Bryden	New Brunswick	Bayfield, N.B.
Rose-Marie Losier-Cool	New Brunswick	Bathurst, N.B.
Céline Hervieux-Payette, P.C.	Bedford	Montréal, Qué.
William H. Rompkey, P.C.	Newfoundland	North West River, Labrador, Nfld.
Lorna Milne	Ontario	Brampton, Ont.
Marie-P. Poulin	Northern Ontario	Ottawa, Ont.
Shirley Maheu	Rougemont	Ville de Saint-Laurent, Qué.
Nicholas William Taylor	Sturgeon	Bon Accord, Alta.
Eugene Francis Whelan, P.C.	Western Ontario	Ottawa, Ont.
Léonce Mercier	Mille Isles	Saint Élie d'Orford, Qué.
Wilfred P. Moore	Stanhope St./Bluenose	Chester, N.S.
Lucie Pépin	Shawinigan	Montréal, Qué.
Fernand Robichaud, P.C.	New Brunswick	Saint-Louis-de-Kent, N.B.
Catherine S. Callbeck	Prince Edward Island	Central Bedeque, P.E.I.
Marisa Ferretti Barth	Repentigny	Pierrefonds, Qué.
Sister Mary Alice (Peggy) Butts	Nova Scotia	Sydney, N.S.
Serge Joyal, P.C.	Kennebec	Montréal, Qué.
Thelma J. Chalifoux	Alberta	Morinville, Alta.
Joan Cook	Newfoundland	St. John's, Nfld.
Archibald (Archie) Hynd Johnstone	Prince Edward Island	Kensington, P.E.I.
Ross Fitzpatrick	Okanagan-Similkameen	Kelowna, B.C.
The Very Reverend Dr. Lois M. Wilson	Toronto	Toronto, Ont.
Francis William Mahovich	Toronto	Toronto, Ont.
Calvin Woodrow Ruck	Dartmouth	Dartmouth, N.S.
Richard H. Kroft	Winnipeg	Winnipeg, Man.
Marian Maloney	Surprise Lake-Thunder Bay	Etobicoke, Ont.
Douglas James Roche	Edmonton	Edmonton, Alta.
Joan Thorne Fraser	De Lorimier	Montréal, Qué.
Aurélien Gill	Wellington	Mashteuiatsh, Pointe-Bleue, Qué.
Vivienne Poy	Toronto	Toronto, Ont.

## SENATORS OF CANADA

## ALPHABETICAL LIST

(March 2, 1999)

Senator	Designation	Post Office Address
THE HONOURABLE		
Adams, Willie	Northwest Territories	Rankin Inlet, N.W.T.
Andreychuk, A. Raynell	Regina	Regina, Sask.
Angus, W. David	Alma	Montréal, Qué.
Atkins, Norman K.	Markham	Toronto, Ont.
Austin, Jack, P.C.	Vancouver South	Vancouver, B.C.
Bacon, Lise	De la Durantaye	Laval, Qué.
Balfour, Reginald James	Regina	Regina, Sask.
Beaudoin, Gérald-A.	Rigaud	Hull, Qué.
Bernison, Eric Arthur	Saskatchewan	Saskatoon, Sask.
Bolduc, Roch	Golfe	Ste-Foy, Qué.
Bryden, John G.	New Brunswick	Bayfield, N.B.
Buchanan, John, P.C.	Nova Scotia	Halifax, N.S.
Butts, Sister Mary Alice (Peggy)	Nova Scotia	Sydney, N.S.
Callbeck, Catherine S.	Prince Edward Island	Central Bedeque, P.E.I.
Carney, Pat, P.C.	British Columbia	Vancouver, B.C.
Carstairs, Sharon	Manitoba	Victoria Beach, Man.
Chalifoux, Thelma J.	Alberta	Morinville, Alta.
Cochrane, Ethel	Newfoundland	Port-au-Port, Nfld.
Cogger, Michel	Lauson	Knowlton, Qué.
Cohen, Erminie Joy	New Brunswick	Saint John, N.B.
Comeau, Gerald J.	Nova Scotia	Church Point, N.S.
Cook, Joan	Newfoundland	St. John's, Nfld.
Cools, Anne C.	Toronto Centre	Toronto, Ont.
Corbin, Eymard Georges	Grand-Sault	Grand-Sault, N.B.
De Bané, Pierre, P.C.	De la Vallière	Montréal, Qué.
DeWare, Mabel Margaret	New Brunswick	Moncton, N.B.
Di Nino, Consiglio	Ontario	Downsview, Ont.
Doody, C. William	Harbour Main-Bell Island	St. John's, Nfld.
Eyton, J. Trevor	Ontario	Caledon, Ont.
Fairbairn, Joyce, P.C.	Lethbridge	Lethbridge, Alta.
Ferretti Barth, Marisa	Repentigny	Pierrefonds, Qué.
Fitzpatrick, Ross	Okanagan-Similkameen	Kelowna, B.C.
Forrestall, J. Michael	Dartmouth and Eastern Shore	Dartmouth, N.S.
Fraser, Joan Thorne	De Lorimier	Montréal, Qué.
Gauthier, Jean-Robert	Ottawa-Vanier	Ottawa, Ont.
Ghitter, Ronald D.	Alberta	Calgary, Alta.
Gill, Aurélien	Wellington	Mashteuiatsh, Pointe-Bleue, Qué.
Grafstein, Jerahmiel S.	Metro Toronto	Toronto, Ont.
Graham, Bernard Alasdair, P.C.	The Highlands	Sydney, N.S.
Grimard, Normand	Québec	Noranda, Qué.
Gustafson Leonard J.	Saskatchewan	Macoun, Sask.
Hays, Daniel Phillip	Calgary	Calgary, Alta.
Hervieux-Payette, Céline, P.C.	Bedford	Montréal, Qué.
Johnson, Janis	Winnipeg-Interlake	Winnipeg, Man.
Johnstone, Archibald (Archie) Hynd	Prince Edward Island	Kensington, P.E.I.
Joyal, Serge, P.C.	Kennebec	Montréal, Qué.
Kelleher, James Francis, P.C.	Ontario	Sault Ste. Marie, Ont.
Kelly, William McDonough	Port Severn	Mississauga, Ont.
Kenny, Colin	Rideau	Ottawa, Ont.
Keon, Wilbert Joseph	Ottawa	Ottawa, Ont.



Senator	Designation	Post Office Address
THE HONOURABLE		
Kinsella, Noël A.	New Brunswick	Fredericton, N.B.
Kirby, Michael	South Shore	Halifax, N.S.
Kolber, Leo E.	Victoria	Westmount, Qué.
Kroft, Richard H.	Winnipeg	Winnipeg, Man.
Lavoie-Roux, Thérèse	Québec	Montréal, Qué.
Lawson, Edward M.	Vancouver	Vancouver, B.C.
LeBreton, Marjory	Ontario	Manotick, Ont.
Lewis, Philip Derek	St. John's	St. John's, Nfld.
Losier-Cool, Rose-Marie	New Brunswick	Bathurst, N.B.
Lucier, Paul	Yukon	Whitehorse, Yukon
Lynch-Staunton, John	Grandville	Georgeville, Qué.
Mahcu, Shirley	Rougemont	Ville de Saint-Laurent, Qué.
Mahovlich, Francis William	Toronto	Toronto, Ont.
Maloney, Marian	Surprise Lake-Thunder Bay	Etobicoke, Ont.
Meighen, Michael Arthur	St. Marys	Toronto, Ont.
Mercier, Léonce	Mille Isles	Saint-Élie d'Orford, Qué.
Milne, Lorna	Ontario	Brampton, Ont.
Molgat, Gildas L. Speaker	Ste-Rose	Winnipeg, Man.
Moore, Wilfred P.	Stanhope St./Bluenose	Chester, N.S.
Murray, Lowell, P.C.	Pakenham	Ottawa, Ont.
Nolin, Pierre Claude	De Salaberry	Québec, Qué.
Oliver, Donald H.	Nova Scotia	Halifax, N.S.
Pearson, Landon	Ontario	Ottawa, Ontario
Pépin, Lucie	Shawinigan	Montréal, Qué.
Perrault, Raymond J., P.C.	North Shore-Burnaby	North Vancouver, B.C.
Phillips, Orville H.	Prince	Alberton, P.E.I.
Pitfield, Peter Michael, P.C.	Ontario	Ottawa, Ont.
Poulin, Marie-P.	Northern Ontario	Ottawa, Ont.
Poy, Vivienne	Toronto	Toronto, Ont.
Prud'homme, Marcel, P.C.	La Salle	Montréal, Qué.
Rivest, Jean-Claude	Stadacona	Québec, Qué.
Roberge, Fernand	Sauvel	Ville St-Laurent, Qué.
Robertson, Brenda Mary	Riverview	Shediac, N.B.
Robichaud, Fernand, P.C.	New Brunswick	Saint-Louis-de-Kent, N.B.
Robichaud, Louis-J., P.C.	L'Acadie-Acadia	Saint-Antoine, N.B.
Roche, Douglas James	Edmonton	Edmonton, Alta.
Rompkey, William H., P.C.	Newfoundland	North West River, Labrador
Rossiter, Eileen	Prince Edward Island	Charlottetown, P.E.I.
Ruck, Calvin Woodrow	Dartmouth	Dartmouth, N.S.
St. Germain, Gerry, P.C.	Langley-Pemberton-Whistler	Maple Ridge, B.C.
Simard, Jean-Maurice	Edmundston	Edmundston, N.B.
Sparrow, Herbert O.	Saskatchewan	North Battleford, Sask.
Spivak, Mira	Manitoba	Winnipeg, Man.
Stewart, John B.	Antigonish-Guysborough	Bayfield, N.S.
Stollery, Peter Alan	Bloor and Yonge	Toronto, Ont.
Stratton, Terrance R.	Red River	St. Norbert, Man.
Taylor, Nicholas William	Sturgeon	Bon Accord, Alta.
Tkachuk, David	Saskatchewan	Saskatoon, Sask.
Watt, Charlie	Inkerman	Kuujuuaq, Qué.
Whelan, Eugene Francis, P.C.	Western Ontario	Ottawa, Ont.
Wilson, The Very Reverend Dr. Lois M.	Toronto	Toronto, Ont.

# SENATORS OF CANADA

## BY PROVINCE AND TERRITORY

(March 2, 1999)

**ONTARIO—24**

Senator	Designation	Post Office Address
THE HONOURABLE		
1 Lowell Murray, P.C.	Pakenham	Ottawa
2 Peter Alan Stollery	Bloor and Yonge	Toronto
3 Peter Michael Pitfield, P.C.	Ontario	Ottawa
4 William McDonough Kelly	Port Severn	Missassauga
5 Jeremiah S. Grafstein	Metro Toronto	Toronto
6 Anne C. Cools	Toronto Centre	Toronto
7 Colin Kenny	Rideau	Ottawa
8 Norman K. Atkins	Markham	Toronto
9 Consiglio Di Nino	Ontario	Downsview
10 James Francis Kelleher P.C.	Ontario	Sault Ste. Marie
11 John Trevor Eyton	Ontario	Caledon
12 Wilbert Joseph Keon	Ottawa	Ottawa
13 Michael Arthur Meighen	St. Marys	Toronto
14 Marjory LeBreton	Ontario	Manotick
15 Landon Pearson	Ontario	Ottawa
16 Jean-Robert Gauthier	Ottawa-Vanier	Ottawa
17 Lorna Milne	Ontario	Brampton
18 Marie-P. Poulin	Northern Ontario	Ottawa
19 Eugene Francis Whelan, P.C.	Western Ontario	Ottawa
20 The Very Reverend Dr. Lois M. Wilson	Toronto	Toronto
21 Francis William Mahovlich	Toronto	Toronto
22 Marian Maloney	Surprise-Lake-Thunder Bay	Etobicoke
23 Vivienne Poy	Toronto	Toronto
24		

## SENATORS BY PROVINCE AND TERRITORY

## QUÉBEC—24

Senator	Designation	Post Office Address
THE HONOURABLE		
1 Leo E. Kolber	Victoria	Westmount
2 Charlie Watt	Inkerman	Kuuujuaq
3 Pierre De Bané, P.C.	De la Vallière	Montréal
4 Michel Cogger	Lauzon	Knowlton
5 Roch Bolduc	Golfe	Ste-Foy
6 Gérard-A. Beaudoin	Rigaud	Hull
7 John Lynch-Staunton	Grandville	Georgeville
8 Jean-Claude Rivest	Stadacona	Québec
9 Marcel Prud'homme, P.C.	La Salle	Montréal
10 Fernand Roberge	Saurel	Ville de Saint-Laurent
11 W. David Angus	Alma	Montréal
12 Pierre Claude Nolin	De Salaberry	Québec
13 Lise Bacon	De la Durantaye	Laval
14 Céline Hervieux-Payette, P.C.	Bedford	Montréal
15 Shirley Maheu	Rougemont	Ville de Saint-Laurent
16 Léonce Mercier	Mille Isles	Saint-Élie d'Orford
17 Lucie Pépin	Shawinigan	Montréal
18 Marisa Ferretti Barth	Repentigny	Pierrefonds
19 Serge Joyal, P.C.	Kennebec	Montréal
20 Joan Thorne Fraser	De Lorimier	Montréal, Qué.
21 Aurélien Gill	Wellington	Mashteuiatsh, Pointe-Bleue, Qué.
22		
23		
24		



## SENATORS BY PROVINCE—MARITIME DIVISION

## NOVA SCOTIA—10

Senator	Designation	Post Office Address
THE HONOURABLE		
1 Bernard Alasdair Graham, P.C. ....	The Highlands .....	Sydney
2 John B. Stewart .....	Antigonish-Guysborough .....	Bayfield
3 Michael Kirby .....	South Shore .....	Halifax
4 Gerald J. Comeau .....	Nova Scotia .....	Church Point
5 Donald H. Oliver .....	Nova Scotia .....	Halifax
6 John Buchanan, P.C. ....	Nova Scotia .....	Halifax
7 J. Michael Forrestall .....	Dartmouth and Eastern Shore .	Dartmouth
8 Wilfred P. Moore .....	Stanhope St./Bluenose .....	Chester
9 Sister Mary Alice (Peggy) Butts .....	Nova Scotia .....	Sydney
10 Calvin Woodrow Ruck .....	Dartmouth .....	Dartmouth

## NEW BRUNSWICK—10

THE HONOURABLE		
1 Louis-J. Robichaud, P.C. ....	L'Acadie-Acadia .....	Saint-Antoine
2 Eymard Georges Corbin .....	Grand-Sault .....	Grand-Sault
3 Brenda Mary Robertson .....	Riverview .....	Shediac
4 Jean-Maurice Simard .....	Edmundston .....	Edmundston
5 Noël A. Kinsella .....	New Brunswick .....	Fredericton
6 Mabel Margaret DeWare .....	New Brunswick .....	Moncton
7 Erminie Joy Cohen .....	New Brunswick .....	Saint John
8 John G. Bryden .....	New Brunswick .....	Bayfield
9 Rose-Marie Losier-Cool .....	New Brunswick .....	Bathurst
10 Fernand Robichaud, P.C. ....	New Brunswick .....	Saint-Louis-de-Kent

## PRINCE EDWARD ISLAND—4

THE HONOURABLE		
1 Orville Howard Phillips .....	Prince .....	Alberton
2 Eileen Rossiter .....	Prince Edward Island .....	Charlottetown
3 Catherine S. Callbeck .....	Prince Edward Island .....	Central Bedeque
4 Archibald (Archie) Hynd Johnstone .....	Prince Edward Island .....	Kensington

## SENATORS BY PROVINCE—WESTERN DIVISION

## MANITOBA—6

Senator	Designation	Post Office Address
THE HONOURABLE		
1 Gildas L. Molgat, Speaker	Ste-Rose	Winnipeg
2 Mira Spivak	Manitoba	Winnipeg
3 Janis Johnson	Winnipeg-Interlake	Winnipeg
4 Terrance R. Stratton	Red River	St. Norbert
5 Sharon Carstairs	Manitoba	Victoria Beach
6 Richard H. Kroft	Manitoba	Winnipeg

## BRITISH COLUMBIA—6

THE HONOURABLE		
1 Edward M. Lawson	Vancouver	Vancouver
2 Raymond J. Perrault, P.C.	North Shore-Burnaby	North Vancouver
3 Jack Austin, P.C.	Vancouver South	Vancouver
4 Pat Carney, P.C.	British Columbia	Vancouver
5 Gerry St. Germain, P.C.	Langley-Pemberton-Whistler	Maple Ridge
6 Ross Fitzpatrick	Okanagan-Similkameen	Kamloops

## SASKATCHEWAN—6

THE HONOURABLE		
1 Herbert O. Sparrow	Saskatchewan	North Battleford
2 Reginald James Balfour	Regina	Regina
3 Eric Arthur Berntson	Saskatchewan	Saskatoon
4 A. Raynell Andreychuk	Regina	Regina
5 Leonard J. Gustafson	Saskatchewan	Macoun
6 David Tkachuk	Saskatchewan	Saskatoon

## ALBERTA—6

THE HONOURABLE		
1 Daniel Phillip Hays	Calgary	Calgary
2 Joyce Fairbairn, P.C.	Lethbridge	Lethbridge
3 Ronald D. Ghitler	Alberta	Calgary
4 Nicholas William Taylor	Sturgeon	Bon Accord
5 Thelma J. Chalifoux	Alberta	Morinville
6 Douglas James Roche	Edmonton	Edmonton

## SENATORS BY PROVINCE AND TERRITORY

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Senator	Designation	Post Office Address
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1 Philip Derek Lewis .....	St. John's .....	St. John's
2 C. William Doody .....	Harbour Main-Bell Island .....	St. John's
3 Ethel Cochrane .....	Newfoundland .....	Port-au-Port
4 William H. Rompkey, P.C. ....	Newfoundland .....	North West River, Labrador
5 Joan Cook .....	Newfoundland .....	St. John's
6 .....		

## NORTHWEST TERRITORIES—1

THE HONOURABLE		
1 Willie Adams .....	Northwest Territories .....	Rankin Inlet

## YUKON TERRITORY—1

THE HONOURABLE		
1 Paul Lucier .....	Yukon .....	Whitehorse



## DIVISIONAL SENATORS

Senator	Designation	Post Office Address
THE HONOURABLE		
1 Normand Grimard .....	Québec .....	Noranda, Qué.
2 Thérèse Lavoie-Roux .....	Québec .....	Montréal, Qué.

## ALPHABETICAL LIST OF STANDING, SPECIAL AND JOINT COMMITTEES

(As of March 2, 1999)

\*Ex Officio Member

## ABORIGINAL PEOPLES

**Chairman:** Honourable Senator Watt

Honourable Senators:

**Deputy Chairman:** Honourable Senator Johnson

Adams, Chalifoux,  
 Andreychuk, Gill,  
 Austin, Graham,  
 Berntson, (or Carstairs)

Johnson, Pearson,  
 \*Lynch-Staunton, St. Germain,  
 (or Kinsella) Tkachuk,  
 Mahovlich, Watt.

*Original Members as nominated by the Committee of Selection**Adams, Andreychuk, Austin, Beaudoin, Doody, Forest, \*Graham (or Carstairs), Johnson**\*Lynch-Staunton (or Kinsella, acting), Marchand, Pearson, Taylor, Twinn, Watt.*

## AGRICULTURE AND FORESTRY

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Honourable Senators:

**Deputy Chairman:** Honourable Senator Whelan

Chalifoux, Gustafson,  
 Fairbairn, Hays,  
 \*Graham, Hervieux-Payette,  
 (or Carstairs) \*Lynch-Staunton,  
 (or Kinsella)

Rivest, Spivak,  
 Robichaud, Stratton,  
 (Saint-Louis-de-Kent) Taylor,  
 Rossiter, Whelan.

*Original Members as nominated by the Committee of Selection**Bryden, Callbeck, \*Graham (or Carstairs), Gustafson, Hays, \*Lynch-Staunton (or Kinsella, acting),**Rivest, Robichaud (Saint-Louis-de-Kent), Rossiter, Sparrow, Spivak, Stratton, Taylor, Whelan.*

## SUBCOMMITTEE ON BOREAL FOREST

(Agriculture and Forestry)

**Chairman:** Honourable Senator Taylor

Honourable Senators:

**Deputy Chairman:** Honourable Senator Spivak

Chalifoux, \*Lynch-Staunton,  
 \*Graham, (or Kinsella)  
 (or Carstairs)

Robichaud, Stratton,  
 (Saint-Louis-de-Kent) Taylor.  
 Spivak,

# **BANKING, TRADE AND COMMERCE**

<b>Chairman:</b>	<b>Honourable Senator Kirby</b>	<b>Deputy Chairman:</b>	<b>Honourable Senator Tkachuk</b>
Honourable Senators:			
Angus,	Hervieux-Payette,	Kolber,	Meighen,
Austin,	Kelleher,	Kroft,	Oliver,
Callbeck,	Kenny,	*Lynch-Staunton,	Tkachuk.
*Graham,	Kirby,	(or Kinsella)	
(or Carstairs)			

## *Original Members as nominated by the Committee of Selection*

Angus, Austin, Callbeck, \*Graham (or Carstairs), Hervieux-Payette, Kelleher, Kirby, Kolber,  
\*Lynch-Staunton (or Kinsella, acting), Meighen, Oliver, Stanbury, Stewart, Tkachuk.

# **ENERGY, THE ENVIRONMENT AND NATURAL RESOURCES**

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Adams,	Ghitter,	Hays,	Lynch-Staunton,
Buchanan,	Gustafson,	Kenny,	(or Kinsella)
Cochrane,	*Graham,	Kroft,	Spivak,
Fitzpatrick,	(or Carstairs)		Taylor.

## *Original Members as nominated by the Committee of Selection*

Buchanan, Butts, Cochrane, Ghitter, \*Graham (or Carstairs), Gustafson, Hays, Kirby,  
\*Lynch-Staunton (or Kinsella, acting), Spivak, Stanbury, Rompkey, Taylor, Watt.

# **FISHERIES**

<b>Chairman:</b>	<b>Honourable Senator Comeau</b>	<b>Deputy Chairman:</b>	<b>Honourable Senator Perrault</b>
Honourable Senators:			
Adams,	*Graham,	Meighen,	Robichaud,
Butts,	(or Carstairs)	Perrault,	(Saint-Louis-de-Kent)
Comeau,	*Lynch-Staunton,	Robertson,	Stewart.
Cook,	(or Kinsella)		
	Mahovlich,		

## *Original Members as nominated by the Committee of Selection*

Adams, Butts, Carney, Comeau, \*Graham (or Carstairs), Jessiman, Losier-Cool,  
\*Lynch-Staunton (or Kinsella, acting), Meighen, Perrault, Petten,  
Robichaud (Saint-Louis-de-Kent), Rossiter, Stewart.



## FOREIGN AFFAIRS

**Chairman: Honourable Senator Stewart**

Honourable Senators:

Andreychuk,	Di Nino,
Bolduc,	Doodly,
Carney,	Grafstein,
De Bané,	*Graham, (or Carstairs)

**Deputy Chairman: Honourable Senator Andreychuk**

Losier-Cool,	Robichaud (Saint-Louis-de-Kent),
*Lynch-Staunton, (or Kinsella)	Stewart,
	Stollery,
	Whelan.

*Original Members as nominated by the Committee of Selection*

*Andreychuk, Bacon, Bolduc, Carney, Corbin, De Bané, Doodly, Grafstein, \*Graham (or Carstairs),  
\*Lynch-Staunton (or Kinsella, acting), MacDonald, Stewart, Stollery, Whelan.*

## INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

**Chairman: Honourable Senator Rompkey**

Honourable Senators:

Bryden,	*Graham, (or Carstairs)
De Bané,	Kinsella,
DeWare,	LeBreton,
Di Nino,	Losier-Cool,
Forrestall,	

**Deputy Chairman: Honourable Senator Nolin**

*Lynch-Staunton, (or Kinsella)	Robichaud, (Saint-Louis-de-Kent)
Maheu,	Rompkey,
Nolin,	Stollery,
Poulin,	Taylor.

*Original Members as nominated by the Committee of Selection*

*Atkins, Callbeck, De Bané, DeWare, Di Nino, \*Graham (or Carstairs), Kinsella,  
LeBreton, \*Lynch-Staunton (or Kinsella, acting), Maheu, Nolin, Poulin,  
Robichaud (Saint-Louis-de-Kent), Rompkey, Stollery, Taylor, Wood.*

## LEGAL AND CONSTITUTIONAL AFFAIRS

**Chairman: Honourable Senator Milne**

Honourable Senators:

Andreychuk,	Eyton,
Beaudoin,	Fraser,
Bryden,	Grafstein,
Buchanan,	*Graham, (or Carstairs),

**Acting Deputy Chairman: Honourable Senator Nolin**

Joyal,	Moore,
*Lynch-Staunton, (or Kinsella)	Nolin,
	Pearson.

*Original Members as nominated by the Committee of Selection*

*Beaudoin, Cogger, Doyle, Gigantès, \*Graham (or Carstairs), Jessiman, Lewis, Losier-Cool,  
\*Lynch-Staunton (or Kinsella, acting), Milne, Moore, Nolin, Pearson, Watt.*

## LIBRARY OF PARLIAMENT (Joint)

<b>Chairman:</b>	<b>Honourable Senator Corbin</b>	<b>Deputy Chairman:</b>	
Bolduc,	Grimard,	Poy,	Robichaud,
Corbin,	Kroft,		(L'Acadie-Acadia).

*Original Members agreed to by Motion of the Senate*  
*Bolduc, Corbin, DeWare, Doyle, Gigantiès, Grafstein, Robichaud (L'Acadie-Acadia).*

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## NATIONAL FINANCE

<b>Chairman:</b>	<b>Honourable Senator Stratton</b>	<b>Deputy Chairman:</b>	<b>Honourable Senator Cools</b>
Honourable Senators:			
Bolduc,	Ferretti Barth,	Johnstone,	Mahovlich,
Cook,	Fraser,	Lavoie-Roux,	Moore,
Cools,	*Graham,	*Lynch-Staunton,	St. Germain,
DeWare,	(or Carstairs)	(or Kinsella)	Stratton.

*Original Members as nominated by the Committee of Selection*  
*Bolduc, Cools, Eyton, Ferretti Barth, Forest, \*Graham (or Carstairs), Lavoie-Roux,*  
*\*Lynch-Staunton (or Kinsella, acting), Mercier, Moore, Poulin, St. Germain, Sparrow, Stratton.*

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## OFFICIAL LANGUAGES (Joint)

<b>Chairman:</b>	<b>Honourable Senator Losier-Cool</b>	<b>Deputy Chairman:</b>	
Honourable Senators:			
Beaudoin,	Gauthier,	Losier-Cool,	Robichaud,
Fraser,	Kinsella,	Rivest,	(L'Acadie-Acadia).

*Original Members agreed to by Motion of the Senate*  
*Beaudoin, Gauthier, Kinsella, Losier-Cool, Pépin, Rivest, Robichaud (L'Acadie-Acadia)*  
*Robichaud (Saint-Louis-de-Kent), Simard.*

---

## PRIVILEGES, STANDING RULES AND ORDERS

**Chairman:** Honourable Senator Maheu

Honourable Senators:

Bacon,	DeWare,
Beaudoin,	Grafstein,
Cook,	*Graham,
Cools,	(or Carstairs)
	Joyal,

**Deputy Chairman:** Honourable Senator Robertson

Kelly,	Robertson,
Kenny,	Rossiter,
*Lynch-Staunton,	Sparrow,
(or Kinsella)	Stollery,
Maheu,	

*Original Members as nominated by the Committee of Selection*

*Bosa, Corbin, Doyle, Grafstein, \*Graham (or Carstairs), Grimard, Kelly, Lewis,  
\*Lynch-Staunton (or Kinsella, acting), Maheu, Marchand,  
Milne, Pearson, Petten, Robertson, Rossiter.*

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## SCRUTINY OF REGULATIONS (Joint)

**Chairman:** Honourable Senator Hervieux-Payette

Honourable Senators:

Grimard,	Hervieux-Payette,
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**Deputy Chairman:**

Kelly,	Moore.
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*Original Members as nominated by the Committee of Selection*

*Cogger, Ferretti Barth, Grimard, Hervieux-Payette, Kelly, Lewis, Mercier, Moore.*

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## SELECTION

**Chairman:** Honourable Senator

Honourable Senators:

Atkins,	Grafstein,
DeWare,	*Graham,
Fairbairn,	(or Carstairs)
	Kinsella,

**Deputy Chairman:**

*Lynch-Staunton,	Pépin,
(or Kinsella)	Phillips,
Mercier,	Robichaud,
	(L'Acadie-Acadia).

*Original Members agreed to by Motion of the Senate*

*Atkins, Corbin, DeWare, Fairbairn, \*Graham (or Carstairs), Hébert, Kinsella,  
\*Lynch-Staunton (or Kinsella, acting) Lewis, Phillips, Stanbury.*

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# SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

<b>Chairman:</b>	<b>Honourable Senator Murray</b>	<b>Deputy Chairman:</b>	<b>Honourable Senator Butts</b>
Butts,	Gill,	Lavoie-Roux,	Maloney,
Cohen,	*Graham,	LeBreton,	Murray,
Cools,	(or Carstairs)	*Lynch-Staunton,	Phillips,
Ferretti Barth,	Johnstone,	(or Kinsella)	Ruck.

## *Original Members as nominated by the Committee of Selection*

*Bonnell, Bosa, Cohen, Cools, Forest, \*Graham (or Carstairs), Haidasz, Lavoie-Roux, LeBreton, \*Lynch-Staunton (or Kinsella, acting), Maheu, Murray, Pépin, Phillips.*

# SUBCOMMITTEE ON VETERANS AFFAIRS (Social Affairs, Science and Technology)

<b>Chairman:</b>	<b>Honourable Senator Phillips</b>	<b>Deputy Chairman:</b>	<b>Honourable Senator Johnstone</b>
Honourable Senators:			
Cohen,	*Graham,	*Lynch-Staunton,	Phillips,
Cools,	(or Carstairs)	(or Kinsella)	Ruck.
	Johnstone,		

# TRANSPORT AND COMMUNICATIONS

<b>Chairman:</b>	<b>Honourable Senator Bacon</b>	<b>Deputy Chairman:</b>	<b>Honourable Senator Forrestall</b>
Honourable Senators:			
Bacon,	Forrestall,	Kenny,	Poulin,
Buchanan,	Fraser,	*Lynch-Staunton,	Roberge,
Bryden,	*Graham,	(or Kinsella)	Spivak.
De Bané,	(or Carstairs)	Moore,	
Fitzpatrick,	Johnson,		

## *Original Members as nominated by the Committee of Selection*

*Adams, Atkins, Bacon, Buchanan, De Bané, Forrestall, \*Graham (or Carstairs), Johnson, \*Lynch-Staunton (or Kinsella, acting), Mercier, Perrault, Poulin, Roberge, Rompkey*

**SUBCOMMITTEE ON COMMUNICATIONS**  
(Transport and Communications)

**Chairman:** Honourable Senator Poulin

**Deputy Chairman:** Honourable Senator Spivak

Honourable Senators:

Bacon,

Johnson,

Maheu,

Spivak.

\*Graham,  
(or Carstairs)

\*Lynch-Staunton,  
(or Kinsella)

Poulin,

---

**SUBCOMMITTEE ON TRANSPORTATION SAFETY**  
(Special)

**Chairman:** Honourable Senator Forrestall

**Deputy Chairman:** Honourable Senator Adams

Honourable Senators:

Adams,

\*Graham,  
(or Carstairs)

\*Lynch-Staunton,  
(or Kinsella)

Roberge,

Forrestall,

Johnstone,

Maloney,

Spivak.

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CANADA

# Debates of the Senate

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1st SESSION •

36th PARLIAMENT •

VOLUME 137 •

NUMBER 115

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OFFICIAL REPORT  
(HANSARD)

Wednesday, March 3, 1999

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THE HONOURABLE FERNAND ROBICHAUD  
ACTING SPEAKER

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(Daily index of proceedings appears at back of this issue.)

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## THE SENATE

Wednesday, March 3, 1999

The Senate met at 1:30 p.m., the Acting Speaker, the Honourable Fernand Robichaud, in the Chair.

Prayers.

### SENATORS' STATEMENTS

#### NATIONAL WOMEN'S CURLING CHAMPIONSHIP

CONGRATULATIONS TO COLLEEN JONES RINK,  
HALIFAX ON WINNING

**Hon. Wilfred P. Moore:** Honourable senators, I rise today to make a statement in recognition of the Colleen Jones rink from the Mayflower Curling Club of Halifax, Nova Scotia, who won the National Women's Curling Championship this past weekend in Charlottetown, Prince Edward Island. Our congratulations go to the skip, Colleen, and the other members of that winning foursome, mate Kim Kelly, second Mary-Anne Waye and lead Nancy Delahunt, who persevered during the entire week, through the pressure of a near-perfect tournament record, to win a title which had not been captured by a Maritime team for 17 years — and yes, it was a Colleen Jones-led rink who won that championship back in 1982. It should also be noted that Kim Kelly was named the most valuable player for the tournament.

It is with much pride that we wish Colleen Jones and her team good luck as Canada's representatives in the World Curling Championship to be hosted by Saint John, New Brunswick, April 3 to 9 next.

There were other winners this past weekend: the hosts of this remarkably successful championship — the people of Prince Edward Island. Our congratulations also go to the more than 1,000 volunteers who pulled together in Charlottetown to make this Scott Tournament of Hearts — one of Canada's most prestigious sporting events — such a huge success. My colleague Senator Callbeck joins me in extending these most sincere congratulations to those Islanders.

Time and again, the people of Prince Edward Island have shown an amazing ability to rise above whatever shortcomings may be associated with this small population to stage the best possible events, be they regional, national or international. The more than 50,000 fans who attended this week-long championship and the millions who viewed it on television are testament to the high quality of the efforts of those volunteers. They have our heartfelt respect and gratitude.

### CONFEDERATION BRIDGE

RECOGNITION AS ENGINEERING ACHIEVEMENT  
OF TWENTIETH CENTURY

**Hon. Catherine S. Callbeck:** Honourable senators, a few short years ago it would have seemed unlikely that Prince Edward Island would be recognized for one of the greatest engineering achievements of the 20th century. However, Confederation Bridge, the construction marvel spanning Northumberland Strait between my home province and neighbouring New Brunswick, has joined elite company such as the Canadarm and the pacemaker in receiving such distinction.

Projects eligible for the distinction of great Canadian engineering achievements of the 20th century were voted on by the Canadian Council of Professional Engineers, the Association of Consulting Engineers of Canada, the Engineering Institute of Canada and the Canadian Academy of Engineering. Obviously, these people know of what they speak. To them, as to most Islanders, Confederation Bridge stands out as one of the greatest Canadian accomplishments of this century.

Congratulations for this honour should obviously go to the consortium of companies known as Strait Crossing Joint Venture, the group responsible for the bridge's construction. Not to be overlooked, however, are the 6,000 men and women, many of them Islanders, who dedicated themselves to the hands-on work needed to bring the innovative bridge design to life, to take the design from paper to concrete.

A link between Prince Edward Island and the mainland was a concept that had been talked about for decades. Many felt that it would never happen. Many others, however, thought that it was just a matter of time. The concept of the link to Canada was a matter of great concern to some Islanders, many of whom felt it would have a severe impact on what we affectionately refer to in Prince Edward Island as "The Island way of life."

•(1340)

Honourable senators, I agree that the bridge has made an impact, but I personally feel that it has been nothing but positive. We have witnessed visitation increase at a record pace since the bridge opened. Tourism is now a serious rival to agriculture as one of our most important industries. People have come from around the world to see, firsthand, this engineering spectacle. Access to and from Prince Edward Island has never been easier. Business and industry which may have thought twice about establishing themselves on the Island because of transportation considerations no longer have that hurdle to consider.

As a province, as Islanders, we are better off because of Confederation Bridge.

[Translation]

## VETERANS AFFAIRS

RECOGNITION OF CONTRIBUTION OF  
NURSING SISTERS DURING WORLD WAR I

**Hon. Lucie Pépin:** Honourable senators, in November, I accompanied the Minister of Veterans Affairs to Europe on the occasion of Remembrance Day celebrations. As no report was tabled in this house, I will take the liberty of making this statement.

In November, along with Senator Brenda Robertson and a group of Canadian veterans, I had the opportunity to make a pilgrimage to World War I battlefields. We went to where the soldiers sacrificed their youth — on foreign soil, far from home. We went to Vimy, Beaumont-Hamel, Passchendaele, Amiens, Arras and Ypres, where in solemn and moving farewell ceremonies, we paid tribute to those who will rest in peace forever.

In all wars where men fought and came back wounded, not far from their sides were other heroes — or rather heroines: Canadian military nurses or nursing sisters, as they were sometimes called. They could often be found right near the front, risking death at every turn. They were also present on hospital ships, working under the constant threat of torpedoes. Many of them lost their lives on the job.

Their history is part of our country's history, going back to the Northwest Rebellion, down through the two world wars and the Korean War, to present-day peacekeeping operations. These nurses have served their country well. And yet they are not often mentioned; their deeds go unsung, but their exploits are well known to the men they nursed.

The first face a soldier injured in combat saw was often that of a military nurse tending to his wounds. These nurses really became angels of mercy, and no veteran has ever forgotten them.

[English]

It was with pride that I joined Pauline Flynn, military nurse, to place a wreath at the gravesite of three such angels who died in the bombing raid of May 30, 1918, in the service of others. These young Canadian women lie at peace now in the company of their brother veterans in the British cemetery in the small village of Gezaincourt in France.

Later, on Remembrance Day, we entered Mons, that historic city where the Canadians made their triumphal march on the very last day of the war. There it was my singular honour to place a spray of flowers in commemoration of all Canadian women who sacrificed their lives in the course of the war. I believe it was the first time that they have been so recognized. It was only right and just, so much so that France will be instigating this type of recognition as of next year. Theirs is a story of unyielding bravery in the face of grave danger for their country, for their patients, for humanity.

## THE LATE JACK WEBSTER

## BRITISH COLUMBIA JOURNALIST—TRIBUTES

**Hon. Raymond J. Perrault:** Honourable senators, one of Canada's ablest communicators, a fellow British Columbian, passed away yesterday. His name was Jack Webster. He was known to many of you.

Jack was a very ethical journalist. His credo was, "Get it first, but get it right" rather than "Don't confuse me with the facts; my mind is made up." Jack never had his mind completely made up. He was always open to new ideas; he had a healthy scepticism about politics and politicians and their claims. He was an implacable interrogator. I have been under the grill with him many times, as has Senator Austin. It was a challenging experience.

Jack Webster was an adornment to the Canadian communications community. He was an able and ethical communicator who came to be known and respected right across the country.

Jack was born of Scottish descent in the working-class side of Glasgow. He emigrated to Canada in the late 1940s. Throughout his life he had a continuing concern for the poor, the dispossessed and the underprivileged, and he was respected for that. On many occasions, Jack demonstrated a high degree of personal courage when, for example, he intervened successfully in hostage incidents at our local prison.

Jack's passing represents a great loss for communications in this country. We need more ethical journalists like Jack Webster, just as we need ethical people in all professions and occupations in this country. Jack Webster will be greatly missed by all of us.

**Hon. Jack Austin:** Honourable senators, let me associate myself with the remarks just made by Senator Perrault concerning Jack Webster.

I spent a lot of time as a young, politically interested person in B.C., and I came into contact with Jack back in the early 1960s. He was a refreshing kind of person. You could never take Jack for granted. You could never count on him, either — and woe betide you if you tried. Jack had a way of cornering you that was unique. Nothing was more fun than to watch Prime Minister Pierre Trudeau and Jack Webster engage in repartee. One day Jack tried to corner him into saying when he would resign, and Mr. Trudeau, after pretending not to understand the question once or twice, said, "Well, I'll tell you, Jack: I will resign when you resign from this particular program." As Senator Perrault has said, Jack was a Scot to the core, and he was not giving up that magnificent income any time soon, so Mr. Trudeau won that one.

Jack practised one philosophy consistently. I will use a phrase that Jack probably would not have used, but it describes him: "Subvert the Dominant Paradigm." In other words, down with whoever is up. Let us pull the guys who think they are smart down a peg or two. Let us ensure that humility reigns in "political-dom" and "business-dom" and "labour-dom." Jack felt that his role in life was to be a great leveller.

We will miss Jack. As Senator Perrault says, he was a great communicator and a man of high integrity. We will miss him in British Columbia's political and social world.

[Translation]

## ROUTINE PROCEEDINGS

### INTERNATIONAL SEARCH OR SEIZURE BILL

#### FIRST READING

**Hon. Gérald-A. Beaudoin** introduced Bill S-24, to provide for judicial preauthorization of requests to be made to a foreign or international authority or organization for a search or seizure outside Canada.

Bill read first time.

**The Hon. the Acting Speaker:** Honourable senators, when shall this bill be read the second time?

On motion of Senator Beaudoin, bill placed on Orders of the Day for second reading on Tuesday, March 9, 1999.

[English]

### CANADA AND THE NUCLEAR CHALLENGE

#### NOTICE OF MOTION TO ENDORSE REPORT OF FOREIGN AFFAIRS AND INTERNATIONAL TRADE COMMITTEE

**Hon. Douglas Roche:** Honourable senators, I give notice that on Thursday, March 11, I will move:

That, whereas the proliferation of nuclear weapons poses a real and ongoing threat to global security, and recognizing the strong conclusions of the Standing Committee on Foreign Affairs and International Trade in their study, "Canada and the Nuclear Challenge," the Senate of Canada fully supports the disarmament and non-proliferation objectives of the Report, and urges the Government of Canada to carefully consider its recommendations when preparing its response.

## QUESTION PERIOD

### NATIONAL DEFENCE

#### CRASH OF LABRADOR HELICOPTER IN GASPÉ— INADEQUACY OF COMPENSATION PAID TO ESTATE OF PILOT— GOVERNMENT POSITION

**Hon. J. Michael Forrestall:** Honourable senators, my question is for the Leader of the Government in the Senate, and it arises from compensation paid to Captain Musselman, pilot of the Labrador helicopter which crashed in the Gaspé last October. Captain Musselman, like so many other pilots, took the government at their word and signed a Pilot Terminal Allowance agreement on additional flying years. The agreement entitled Captain Musselman to \$25,000 per year for three years. He was killed in the first year on Labrador No. 305.

Would the Leader of the Government explain to the chamber why this man's family, or his estate, is not entitled to the remaining PTA amount? The government paid out almost \$1 billion to cancel the EH-101 but refuses to honour a contract for \$50,000 with Captain Musselman's family after his death.

Can the minister assure us that he will pursue this matter further with the government to see if there is not some compassion? After all, Captain Musselman did not resign, he did not refuse to fly, he did not do anything that caused him to break the contract into which he had entered with the government. Flying on a faulty piece of equipment perhaps contributed to his death.

Does the government not feel an obligation under that circumstance to honour the full payment of \$75,000, not just the \$25,000 which was paid to him in the middle of first year. He had not completed the year. Are we to conclude that the government may now make the case to go back and say that he only served for 10 months so we will take \$5,000 back? Is this the kind of ludicrous behaviour that is afoot here, or can we rely on the minister, with his usual caring and concerned way, to pursue this matter? It seems that an injustice may have been done.

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, this chamber, indeed the entire country, was saddened by that tragic accident which led to the death of Captain Musselman and others in the crew. On that occasion, we expressed our regret and extended our sincere sympathy to the families.

I am not aware of the particular circumstances, nor of the details of the contract which Captain Musselman signed. However, I would be happy to look into the matter, determine the circumstances and bring forward an answer at the earliest possible time.

I wish to thank Senator Forrestall for bringing this matter to our attention. I certainly shall pursue it as soon as I have an opportunity, indeed, this very day, to try and determine an appropriate answer.

### HUMAN RESOURCES DEVELOPMENT

#### MILLENNIUM SCHOLARSHIP FOUNDATION—APPOINTMENT TO BOARD OF GRAND CHIEF OF ASSEMBLY OF FIRST NATIONS— REQUEST FOR PARTICULARS ON SALARY ARRANGEMENTS

**Hon. Ethel Cochrane:** Honourable senators, my question is to the Leader of the Government in the Senate.

Last week there was an announcement that Mr. Phil Fontaine, the Grand Chief of the Assembly of First Nations, has been appointed to the board that will administer the millennium scholarship fund. We all know that Mr. Fontaine is already receiving a salary from public funds as head of the Assembly of First Nations. Could the Leader of the Government tell me whether or not Mr. Fontaine will be paid an additional salary or a per diem allowance from the scholarship fund? If so, could the minister tell me how much?



**Hon. B. Alasdair Graham (Leader of the Government):**

Honourable senators, again, I would be happy to look into that matter. I feel that the addition of Grand Chief Fontaine to the millennium scholarship fund board is a wonderful appointment. I am not aware of the circumstances with respect to his present remuneration as Grand Chief, nor am I aware of any per diem that may be provided to members of the Millennium Scholarship Foundation board. However, I shall certainly inquire and bring forth the information.

**Senator Cochrane:** In the meantime, perhaps the leader could also find out what salaries or allowances, if any, are being paid to other members of the scholarship fund board?

**Senator Graham:** It should be pointed out that Grand Chief Fontaine is a duly elected chief. I know that the government would be reluctant to pay salaries to people who are already on the public payroll, and duplicating salaries or allowances for any particular day. Given the interesting circumstances raised by the honourable senator, I shall inquire further.

●(1400)

## NATIONAL FINANCE

REMARKS OF SECRETARY OF STATE FOR FINANCE  
IN HOUSE OF COMMONS—GOVERNMENT POSITION

**Hon. Terry Stratton:** Honourable senators, my question is addressed to the Leader of the Government in the Senate. This refers to a question put yesterday in the other place. I find it difficult to believe the response made by Liberal cabinet minister Jim Peterson. Did he really suggest that stay-at-home mothers do not work as hard as women in the workforce?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I would have to read the transcript of what was said. I am sure that Mr. Peterson, who is an outstanding member of the cabinet, a dear friend and colleague, and a hard worker in his own right, would probably want to reconsider the words that may have been used at that particular time, if that is the impression that they left.

I leave it to Mr. Peterson to clarify what he meant. I do not wish to put words in his mouth, or presume exactly what he meant on that occasion.

**Senator Stratton:** These figures are based on the calculations of a C.D. Howe analyst that a dual-income family with two pre-school children, on an income of \$70,000, gets more than \$14,000 in child-related tax breaks that are not available to the single-earner family.

The second part of the statement by Minister Peterson is even more incomprehensible. I know we cannot quote directly, but I am wondering whether he said that if two members of a particular family are both working, they are putting in twice the working hours of a single earning couple, and they have twice the expenses? Aside from his statements about mothers who stay at home, did he also make these remarks?

**Senator Graham:** Honourable senators, I was not in the other place, I was here. I suppose you could call in the old expression of why were we not all there, because we are not all here.

Whether working in or out of the home, women make important contributions to their families and to society as a whole. The tax system recognizes the differences in the situation between single-income and dual-income families through its treatment of both types of families. The tax system provides a \$1,500 spousal credit, available to single-income families. In addition, after this year's budget measures, a typical single-income family will be entitled to \$1,340 more from the child tax benefit than dual-income earners.

## HUMAN RIGHTS

REPORT OF U.S. STATE DEPARTMENT ON RECORD OF VARIOUS  
COUNTRIES—MENTION OF INCIDENTS OF ARRESTS IN  
VANCOUVER AND TREATMENT OF ABORIGINALS—  
GOVERNMENT POSITION

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, my question is for to the Leader of the Government in the Senate. About five days ago, the Bureau of Democracy of the United States Department of State issued a series of country reports on human rights practices for 1998, including a report on Canada. Under section 2, respect for civil liberties, including freedom of speech in the press, the writers of the report observed:

In November police in Vancouver clubbed and arrested several demonstrators protesting a visit by the Prime Minister. Those arrested were released without charge.

My question is: Did the government have anything to do with the failure to charge those persons who were arrested? If they were arrested, why were they arrested if they were not breaking any law?

**Hon. B. Alasdair Graham, Leader of the Government:** That is a very good question. I wish to assure all honourable senators that the government does not interfere with police work in this country.

**Senator Kinsella:** The review speaks to indigenous people. They observe that:

The treatment of Canada's aboriginal people continued to be one of the most important human rights issues facing the country. Disputes over land claims, self-government, treaty rights, taxation, duty-free imports, fishing and hunting rights, and alleged harassment by police continued to be sources of tension on reserves. Aboriginal people remain underrepresented in the workforce, overrepresented on welfare rolls and in prison populations, and more susceptible to suicide and poverty than other population groups.

My question to the Leader of the Government is the following: Does the answer that was just given, that the government does not interfere, also apply to this description by another government of the human rights record affecting indigenous people in Canada?

**Senator Graham:** Honourable senators, my earlier reference was that the government does not interfere with police work in Canada.

Obviously not all honourable senators would necessarily associate themselves with this particular report. However, I wish to express concern with the general condition facing many of our aboriginal peoples. This is a matter that has been brought to our attention on many occasions by our colleagues in this chamber.

I recall having the privilege of chairing an international conference on human rights in 1987. We had people from all over the world who came to that particular conference. I remember clearly one suggestion that was made at the time, namely, that before we preoccupied ourselves with human rights around the world, we should spend one day examining our own record on human rights. That is exactly what we did, and we found that we had failed on many scores.

We are not perfect, but we are attempting to bring justice and level the playing field in matters of this kind.

I think we are very fortunate that in this chamber we have senators who represent the aboriginal people, and who will never fail to bring these matters forcefully to our attention.

**Senator Kinsella:** Honourable senators, to get beyond the rhetorical, how many recommendations of the 1996 Royal Commission on Aboriginal Peoples have been implemented by the government?

**Senator Graham:** Honourable senators, that is a good question, and I shall attempt to bring forward a response in due course.

### DELAYED ANSWER TO ORAL QUESTION

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I have a response to a question raised in the Senate on February 9, 1999, by the Honourable Senator Donald H. Oliver regarding the Canadian Race Relations Foundation and the effect of proposed amendments contained in legislation.

### CANADIAN RACE RELATIONS FOUNDATION

#### EFFECT OF PROPOSED AMENDMENTS CONTAINED IN LEGISLATION—GOVERNMENT POSITION

*(Response to question raised by Hon. Donald H. Oliver on February 9, 1999)*

Bill C-44 is the successor to Bill C-49, which died on the order paper during the previous session of Parliament. Bill C-44 stems from the government's Agency Review that was completed in 1994. It is an omnibus bill that affects administrative tribunals, reorganizes and winds up certain federal agencies and amends certain statutes accordingly.

Bill C-44 makes several amendments to the *Canadian Race Relations Foundation Act* (CRRF). A private member's bill, introduced in the House of Commons in

1994, would have made the few Crown corporations (including the CRRF) exempt from Part X of the *Financial Administration Act* (FAA), subject to the FAA like all the other Crown corporations. During debate on that bill, the government made a commitment to examine the possibility of aligning the exempt corporations with the FAA.

Bill C-44 makes the CRRF subject to most of the sections in Part X including one standard provision, rarely used, to allow the Governor in Council to remove surplus funds from Crown corporations. However, this provision has seldom been used and then only in cases where corporations have commercial operations. It is very unlikely that the government would use section 130 in the Foundation's case.

The Auditor General of Canada has in his past reports to Parliament advised that he strongly supports the control and accountability regime established by Part X of the FAA because it provides the means for the Crown corporations to act with an appropriate degree of independence of action while providing for appropriate accountability to, and control by Parliament and government.

The proposed amendments to the CRRF Act contained in Bill C-44 are in keeping with the Government's commitment to streamline federal boards, agencies and corporations and to make them more accountable to the Canadian public. However, the government will take the concerns of the CRRF under advisement when Bill C-44 is referred to Parliamentary Committee for study.

Modifications proposed in Bill C-44 are intended to clarify the Foundation's role and to avoid potential duplication of effort with established government policy development and program delivery activities. The government is not proposing to change the Foundation's basic role. It has always been envisioned as a centre of excellence, a national resource centre to serve the information needs of community groups, researchers and the general public to further understanding about racism and racial discrimination in Canadian society.

The Honourable Hedy Fry, Secretary of State (Multiculturalism) (Status of Women), informed stakeholders, including the National Association of Japanese Canadians (NAJC), that the Government intends to maintain a lead role in race relations policy and programming and that the amendments are necessary to avoid overlap and duplication of efforts.

The amendments will clarify the mandate of the Foundation to ensure that it will be able to achieve its objectives and that it will efficiently and effectively complement the activities of the Government of Canada.

The Honourable Hedy Fry, Secretary of State (Multiculturalism) (Status of Women) met with the CRRF Board of Directors and the NAJC earlier in February to discuss concerns raised by the proposed amendments.

Bill C-49, the ancestor of Bill C-44 was also discussed with members of the Board of Directors when they were appointed in October 1996.

The CCRF Act received Royal Assent in February 1991 and was proclaimed in October 1996. Section 27. (1) of the CCRF Act mentions that "as soon as possible after the fourth anniversary of the coming into force of this Act, the Minister, after consultation with the Board, shall evaluate and prepare a report on the Foundation's activities and organization, including a statement of any changes that the Minister recommends."

This provision does not preclude amendments of the CCRF Act but rather commits the government to an evaluation of the Foundation's activities as soon as possible after the fourth anniversary of the coming into force of the Act.

Changes proposed in Bill C-44 will not change the Foundation's basic role but are intended to make its operations more consistent with processes and standards of the federal government. More specifically, the provisions under Part X of the FAA will ensure transparency and accountability for the CRRF as required from other Crown corporations. The amendments will also clarify the mandate of the Foundation to ensure that it will be able to achieve its objectives and that it will efficiently and effectively complement the activities of the Government of Canada.

•(1410)

## ORDERS OF THE DAY

### THE ESTIMATES, 1999-2000

MOTION TO AUTHORIZE NATIONAL FINANCE COMMITTEE  
TO STUDY MAIN ESTIMATES—DEBATE ADJOURNED

**Hon. Sharon Carstairs (Deputy Leader of the Government)**  
pursuant to notice of March 2, 1999, moved:

That the Standing Senate Committee on National Finance be authorized to examine and report upon the expenditures set out in the Estimates for the fiscal year ending March 31, 2000, with the exception of Parliament Vote 10 and Privy Council Vote 25.

**The Hon. the Acting Speaker:** Is it your pleasure, honourable senators, to adopt the motion?

**Hon. John. B. Stewart:** Honourable senators, I should like to ask the Honourable Senator Carstairs a question, if I may.

Am I correct in concluding from the wording of the motion that the Estimates of the Department of Fisheries for the coming

fiscal year will not be sent to the Standing Senate Committee on Fisheries? Is that an intent of the motion?

**Senator Carstairs:** The intent of the motion, Senator Stewart, is that all Estimates, with the exception of Privy Council Vote 25, which will be studied by the Official Languages Committee, and Parliament Vote 10, which will be studied by the Library of Parliament Committee, will go before the National Finance Committee.

**Senator Stewart:** Are you ignoring the proposal put forward by the Standing Senate Committee on Fisheries?

**Senator Kinsella:** It sounds that way.

**Senator Berntson:** Yes, that's right.

**The Hon. the Acting Speaker:** Honourable senators, is it your pleasure to adopt the motion?

**Senator Kinsella:** I think an honourable senator is interested in further debate.

**Hon. Gerald J. Comeau:** Honourable senators, I should like to pursue this matter further, if I may. The committee presented a motion in December requesting that these figures be studied by the Standing Senate Committee on Fisheries. We have been planning our work schedule along that line.

Given that this matter will not be referred to the Standing Senate Committee on Fisheries, this motion would very much change the work schedule we have been planning over the last number of weeks. I should like to ask the deputy leader if this might be an oversight. Could we look at this again?

**Senator Carstairs:** Honourable senators, I suggest that if a senator wished to adjourn the debate on this motion, we could hold the vote later. Meanwhile, I will investigate exactly why the Fisheries Committee has not been assigned the Estimates on fisheries.

On motion of Senator Comeau, debate adjourned.

[Translation]

VOTE 25 REFERRED TO THE  
STANDING JOINT COMMITTEE ON OFFICIAL LANGUAGES

**Hon. Sharon Carstairs (Deputy Leader of the Government)**  
moved, pursuant to notice given on March 2, 1999:

That the Standing Joint Committee on Official Languages be authorized to examine the expenditures set out in Privy Council Vote 25 of the Estimates for the fiscal year ending March 31, 2000; and

That a message be sent to the House of Commons to acquaint that House accordingly.

**The Hon. the Acting Speaker:** Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to.



[English]

VOTE 10 REFERRED TO THE STANDING JOINT COMMITTEE  
ON THE LIBRARY OF PARLIAMENT

**Hon. Sharon Carstairs (Deputy Leader of the Government)**  
pursuant to notice of March 2, 1999, moved:

That the Standing Joint Committee on the Library of Parliament be authorized to examine the expenditures set out in Parliament Vote 10 of the Estimates for the fiscal year ending March 31, 2000; and

That a Message be sent to the House of Commons to acquaint that House accordingly.

**The Hon. the Acting Speaker:** Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to.

## ACCESS TO CENSUS INFORMATION

INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Milne calling the attention of the Senate to the lack of access to the 1906 and all subsequent censuses caused by an Act of Parliament adopted in 1906 under the Government of Sir Wilfrid Laurier.—(*Honourable Senator Johnson*).

**Hon. Richard H. Kroft:** Honourable senators, I wish to speak to an inquiry initiated by the Honourable Senator Milne and adjourned in the name of the Honourable Senator Johnson. I speak on the understanding that it will be adjourned in her name again.

The issue has been further expanded upon by Senators Fraser and Andreychuk. The critical fact is that no census returns collected in Canada after 1901 are accessible for any purpose, other than by the person who completed them.

Under the law as it now stands, you will recall, all census returns from 1906 and since are retained by Statistics Canada and are not forwarded to the National Archives, where they would be available for legitimate research. There was even a suggestion in 1995 by the Privacy Commissioner that census records not already in the public domain be destroyed, starting with those for 1991. Thankfully, Statistics Canada, for whatever reason, never agreed to do so.

•(1420)

On February 18, the Privacy Commissioner presented himself to this body in Committee of the Whole. It was an important occasion, and both his introductory remarks and his answers to questions revealed some significant and challenging perspectives. Of particular interest to me was his exchange with

Senator Milne on the subject of census returns. He took a very hard line that basically ruled out any access to any census return for any purpose ever, other than by the person who completed the return.

Since I was then preparing my remarks, I paid very close attention as he described a widespread pattern of pervasive intrusive and substantially out-of-control collection of private information. His overall message was that we are today suffering a significant loss of freedom because the massive amount of information about us that is gathered is not in any way under control, can be used for all sorts of purposes without our permission or our knowledge, and is moved and traded around between legitimate and illegitimate users in both the public and private sectors.

Following the appearance of Commissioner Phillips, I carefully reconsidered my prepared remarks. Did I really want to advocate more intrusion into private information? However, as I reviewed his testimony, I began to realize how easily one can move from legitimate concern about many of the serious problems he raises to a non-discriminating paranoia that leads us to see every piece of information collected as a threat to our rights and liberties.

As I thought about it more, I became increasingly anxious to participate in this inquiry. It is essential that we consider information, privacy and freedom very closely and carefully and that we exercise judgment about which information deserves the kind of protection that preoccupies Mr. Phillips and which information should be open and easily available.

While I share many of Mr. Phillips' fears, I am equally concerned that obsessive concepts of privacy not be allowed to inhibit the retention, management and availability of information that can be essential to the expansion of knowledge and understanding. I will refrain from using the expression "striking the right balance," since Commissioner Phillips invested it with an unattractive connotation. The truth is that different information requires different treatment, and some information calls for different treatment depending on time and circumstances. The importance of these distinctions comes very much to the fore when considering access to census returns.

Other senators have laid down many of the essential elements of this issue and have provided a number of valuable insights. I commend their speeches to you. They have spoken of the importance of census returns to genealogy and emphasized that only by census returns will future students and historians have any ability to learn the stories and real life details of ordinary people. Instead, as Senator Milne observed, all that will be known will be that of "blue bloods," "first families" and "tycoons," giving a skewed view of life at any time. This bothers me, too. It is not hard to imagine the image of our times that will be given if the only available record is that of celebrities of all types — politicians, athletes, entertainers and others about whom much is written.

Senator Mahovlich, I hope, will not read anything into that remark.

We are all aware that this body of information is often inaccurate in terms of particular subjects, and always inaccurate in the distorted picture it gives of the real lives of most people. The raw material of good historical research must include basic data about how the vast majority of people live, what they do to support themselves and their families, how ordinary domestic life is organized, and how family units develop. There is no direct source for most of this information other than the census records, as has been the case for many hundreds of years in Canada and elsewhere.

Part of my interest in this subject comes from personal experience. I became curious about a branch of my family that came to Canada from England in the late 19th century. I came to realize that I had grown up with a vague picture of who they really were, what their life in England had been like and, very important, when they had come to England and from where. As I pursued my investigations, I learned how full of inaccuracies and large gaps the collective family memory was. Of great significance, I also learned that what had been lost was the colour, spirit, texture, personality and humanity of people who, even when their names were vaguely recalled, were essentially unknown.

In England, I was able to find, largely from actual census returns from 1841 to 1891, information that was extraordinarily valuable in providing real knowledge and understanding. If my search revealed a tiny microcosm of 19th century England — a country that for part of my family served as a 100-year stopping off point on a movement from Eastern Europe to North America — the total picture that can emerge out of a multiplicity of such stories is far too rich and important to be lost.

If we stop to think that under the present law the possibility of doing fundamental historic research from raw census data from 1901 on does not exist in Canada, and will never exist in the future, we will come to realize that this is a matter of real concern and worthy of our attention. Are we prepared to forever deny all future Canadians and others the detailed knowledge of lives that have shaped and conditioned who we are and what they were? Surely, we should not leave this door shut and sealed forever, at least not without a careful consideration of the reasons and importance for doing so, and a full appreciation of the consequences.

What are the reasons for denying knowledge that could so easily be available? I have always viewed with horror those moments in history when the powers of the day — secular or religious — have acted to deny or destroy knowledge in the name of some greater good. Libraries have been burned, books denied, and illiteracy and ignorance perpetuated because knowledge was seen as dangerous. While no one would suggest that we are faced with similar motives now, we cannot deny that the result, in some respects, is the same. Important, meaningful information is being locked up or, as some would have it, destroyed. If this is to be, let us be absolutely certain that the reasons are beyond question and reproach.

I do not want to oversimplify this or present only one side. There are, indeed, some very difficult and important issues that must be addressed. First, the question must be asked whether the

information in the census returns would exist at all without secrecy. Would people complete the returns, or do so fully and honestly, without the assurance currently given that "the confidentiality of your census form is protected by law"? With this assurance is confirmation that no other government agency or department can have access to it. It is argued that Canadians would not participate meaningfully without this assurance, and serious weight must be given to that proposition.

If the suggestion was that all census information should be available in the archives immediately, or after one year, obviously we would instinctively all say no. We all have a natural, correct, and justifiable sensitivity to governments and others prying into our personal information. On the other hand, if it were suggested that census information be released only after 200 years, few of us would likely object. Two hundred years is simply too far away really to concern most of us. If we can accept that somewhere between now and 200 years represents a range of possibility, we have taken the first step toward a policy.

Senators Milne and Fraser have told us that the United States makes raw census data available after 72 years and the United Kingdom after 99 or 100 years. An Australian study suggested 99 years. In Canada, information is now effectively available after 98 years, but the door is now closed to any new additions. Surely, it would not be beyond the reach of a serious study by a committee of this body to arrive at a meaningful and broadly acceptable number.

There is another related question that is both legitimate and difficult. What about all the census returns completed in this century by Canadians under the assurance of confidentiality? This assurance was first given under an Order in Council in 1905, and in legislation in 1918. Can we now move to open some or all of that? Would it be a fundamental breach of faith? This, as I have said, is a legitimate and difficult question and the committee would have to struggle hard with it. Perhaps a process of releasing the oldest ones, a decade each decade, would be found acceptable so that eventually all of it would become available.

The most strict and limiting alternative, of course, would be to leave the 20th century locked up forever. While I believe that would be a terrible situation, it would be better than allowing the principles embodied in the status quo to seal all new information yet to be gathered.

I would therefore hope that Parliament, through a committee of the Senate, would carefully examine and challenge the proposition that a perpetual guarantee of confidentiality is required to gather good and adequate information. If an acceptable number of years of protection can be found, we will, at worst, leave the 20th century as an aberrant blank, and, hopefully, we will find an appropriate and proper way around that.

As we think through this subject, let us not fall into the trap of believing that it is only a matter of narrow interest to genealogists and historians — people preoccupied with the past. All of us here would surely agree that history, while our window on the past, is our door to the future. However, even the study of



history is only part of the issue. The principles involved in this problem are closely intertwined with the new technology-driven questions that we have only begun to contemplate. For example, what contribution can census data make to researchers looking for genetic links related to geography, ethnicity or standard of living in their search to understand and cure diseases? While history, particularly that of the 20th century, provokes some alarm for many of us when the idea of genetic tracking is raised, I believe we have come to a point where the enormous potential of good in science and medicine must confront these fears.

Another major issue is now emerging that relates to all of this and was referred to by the Privacy Commissioner. As medicine and the computer-based information age merge, the call is going out to have all of our medical histories in "the system" available to hospitals and physicians everywhere. This, it is argued, will be a great advance in dealing with a wide variety of situations where such information could be critical in terms of time, cost and safety. I raise this issue, not because it is the same as the census issue, but it is very close. It is part of the whole intellectual, ethical and personal debate we must pursue to be sure that we do not remain comfortably locked into simple and absolute positions without subjecting them to regular and rigorous scrutiny and challenge.

We are hurtling forward in the information age. It will require constant vigilance and effort to assure that we use that enormous power to our advantage. One thing it may do is allow us, with the vast databases now available and potentially available, to know and understand our past and our present in a way that has never before been possible. Census returns are a unique and important part of that database and that understanding.

Honourable senators, we are surrounded by legitimate and profound questions relating to privacy of personal information. My deep concern is that, in responding to these, we do not overreact and treat every piece of information as a threat and a danger. I see great risk of becoming obsessive about locking up information without due regard for its importance in expanding our base of knowledge. Census information touches on areas where our fears about privacy could come to work against our real interests.

Canadians deserve a careful study of both the underlying principles and actual practices employed in the gathering, storage and availability of census data. It is a matter that could be well served by the attentions of the Senate.

On motion of Senator Kroft, for Senator Johnson, debate adjourned.

## NATIONAL DEFENCE

DEBATE RESPECTING POSTING OF TROOPS OUTSIDE  
CANADA—INQUIRY—DEBATE ADJOURNED

**Hon. J. Michael Forrestall** rose pursuant to notice of February 16, 1999:

That he will call the attention of the Senate to the matter of public debate respecting the posting of CAF members to Kosovo.

He said: Honourable senators, over the last month I have asked the Leader of the Government in the Senate to use his good offices to initiate a debate on the issue of Canadian involvement in Kosovo. He, in turn, asked if I would initiate a debate. With the situation in that part of the world being so great, I now feel compelled to bring the issue forward.

Honourable senators, we have witnessed massacres, almost daily fighting and, according to the director of the CIA, the spring campaign will soon be upon us. Indeed, it looks as if it is upon us now as the Serbs place a number of units along the border with Macedonia and as they clear the border area. Are they doing that to prevent NATO from getting in, or is it a prelude to moving into Macedonia to isolate the battlefield? Is it a move to keep the OSCE observers in place, perhaps to be held as hostages later? Is it a move to frustrate many of the efforts of NATO in this regard? Or is it just another piece of flux on the sea of uncertainty in which we seem to be floating?

NATO has set the deadline of March 15 for an agreement to be reached. If that does not happen, the two sides will face NATO air power. The United States, the United Kingdom, France, Germany and other NATO allies are preparing to send ground troops into the bloody province. The NATO Secretary General is asking for Canadian participation.

In his usual cavalier manner, the Prime Minister has said that we "might" send ground troops into Kosovo, in addition to our CF-18s based in Italy, without us being asked formally or informally for troops by anyone. The Minister of Foreign Affairs has said that Canada would not send ground forces to intervene in Yugoslavia, but only to keep peace. The Minister of National Defence has said that it will not be an aggressive military force but simple peacekeeping, as was the case in Bosnia. I point out to honourable senators that peacekeeping duties have already cost 16 Canadian lives. He has also said that sending ground troops would stretch the Canadian Forces to the limit, which begs the question: "From where are the troops for Kosovo to come?"

It also casts questions upon the validity of the 1994 white paper which says that Canada will be able to deploy 10,000 personnel around the world at any one time, when we would be stretched to the limit to come up with another 800 or so for Kosovo, to add to the less than 2,000 abroad now.

This lack of clarity has left Canadians wondering just what is the government policy on Kosovo. It has left Canadians with several questions about the deployment of Canadian military forces to this troubled region. Lieutenant General Lewis MacKenzie, one of Canada's more famous peacekeepers who is very familiar with the region, has questioned the wisdom of Canadian involvement at all, a question in the minds of many of us, I might add. My fear is that we no longer control events with regard to our involvement in Kosovo, but that events now seem to be controlling us.



I thought long and hard on the issue and I am left with few answers and many questions. I think it is clear that all peace-loving people would like to see an end to fighting in Kosovo and an end to the killing of innocent civilians. I also think that if NATO decides to go into Kosovo that we as NATO allies must join our closest international friends in facing a joint destiny. The deployment of ground troops and military power is the worst decision that any statesman ever has to make. Once taken by the Governor in Council, Canadians probably will support the government of the day and pray that they have made the right decision. I believe these are answers that all responsible Canadians would come to with regard to the Kosovo question.

•(1440)

The problem is that serious questions are left unanswered. They were left unanswered after the debate in the other place the other day. This is what I find so troubling. Where is the solution to the situation in Kosovo and the Balkans? A much-loved and respected professor of military history at Acadia University in my province, who has since passed on, Dr. Jim Stokesbury, used to say that there are some international problems to which there are simply no solutions. Kosovo and the Balkans may be cases of this nature.

Kosovo has been fought over for centuries. The Serbs consider it to be the cradle of their civilization. Kosovars, ethnic Albanian Muslims and the ethnic majority in Kosovo by some 90 per cent, consider it their home and part of greater Albania. To Milosevic, the federal Yugoslavian president, Kosovo's independence would probably spell the end of his regime, and perhaps of Yugoslavia. Keeping Kosovo in Yugoslavia will mean that by 2015 the Kosovars will be the majority population throughout the federal republic, due to the birth rate, which is about 10 times higher than that of the Serbs'.

Do you give the Kosovars their independence and lose Yugoslavia, or do you keep Kosovo in the federal republic and run the risk of being outvoted by an angry, potentially barbarized population later on, or is there some sort of compromise settlement in between? I do not have the answer. Perhaps, as Professor Stokesbury would say, there is no answer.

Honourable senators, on the strategic foreign policy level, in terms of an intervention in Kosovo, is this the end of state sovereignty? Is NATO now a global policeman? Will Russia support a NATO action or will it unilaterally break the UN sanctions imposed on Yugoslavia and supply the Serbs? We all know what that would lead to. Honourable senators should remember that it was reported that the senior Russian officer with NATO affairs on the Russian general staff condemned NATO ground troops going into Kosovo. President Boris Yeltsin has told NATO "hands off" with regard to Kosovo. There are also reports that Russia will unilaterally rearm the Iraqis.

Will the Serbs then break the Dayton peace accords with regard to Bosnia, and join Bosnian Serbs in seizing large tracts of land? Will Turkey, a NATO ally, support the Kosovo Liberation Army directly in the field of battle with both troops and supplies?

Will Greece, another NATO ally, enter the war on the side of Serbia? Will the conflict spread into Macedonia, where there exists, as many of you will know, a significant ethnic Albanian population?

Honourable senators, China has just vetoed the safeguarding of this border by UN forces, and they have pulled back, leaving the border wide open to the Serbs.

These are imponderable, strategic questions and, again, none were answered in the debate in the other place just the other day.

Another interesting and imponderable, strategic question exists with regard to Iraq and Serbia. Both want to be dominant regional powers. In the past, honourable senators will recall, when confronted by United States-led coalitions, they have both backed down. This time, neither Iraq nor Serbia have backed down from confrontation. Iraq challenges coalition air power every day and has sent significant contingents of troops to the south, opposite Saudi Arabia, Kuwait and Jordan. The Serbs, honourable senators, have 10 battle groups operating in Kosovo, as opposed to the three that they are supposed to have in the province, and are sending in yet even more reinforcements.

The question that arises from these parallel situations is: Are these countries acting in concert, or is it merely a coincidence? If they are acting in concert, there is a chance that they both could stretch American and Western military power to the limit in hopes of sooner or later getting a favourable peace settlement.

I should also point out that Russia is using both states to put itself back on the world stage, front and centre. How will the use of force in Kosovo affect NATO's strained relationship with Russia? Remember, Russia is only a few years into democracy, and may end this millennium with an ultranationalist leader. Our relationship with Russia is tenuous, at best.

In terms of a ceasefire, is this the best way for Milosevic to keep Kosovo under his thumb, by having NATO police the Kosovars and become the Kosovo Liberation Army's new opponent? That is a strategic question that we must ask. Certainly, it is a question that must be answered.

In terms of the operational level, the issue arises as to the length of the commitment that NATO can make to stay there. I think that Canadians should, if they must, go in and get out before this commitment plays havoc with our rotation schedule. Judging by what happened in Bosnia, this commitment will be measured in years, and not in mere months.

What happens if both sides decide to engage in hostilities with each other, or with NATO? This situation could turn to war at a moment's notice. Where would we be? In the middle. We do not even know, honourable senators, how NATO troops — our troops — are to get out if the situation in Kosovo develops into all-out war, and then, sadly, the same thing happens in Bosnia itself. Will we send a significant contingent, perhaps a battalion-sized group, or no troops at all? Can we replace our battalion group in Bosnia with reservists so that we can get a little more room to manoeuvre in our rotation schedule?

We do not know what the national command relationships will be. What are the rules of engagement? On television the other day, I heard a British commander say that his orders were "to shoot to kill." I cannot imagine a Canadian officer daring to say that — rightly or wrongly — in the present post-Somalia climate.

We do not know how we will get our troops over there because we have no real sea-lift or air-lift capability. How will we sustain them in Kosovo? I would suggest probably by piggybacking on our existing air resupply to Bosnia. However, no one has said so for sure. I would love to see the flight and resupply schedule for that operation, and then wonder how we would ever meet it.

We do not know now which units of the Canadian Forces will be sent, or whether they are trained for the mission before them. Remember the criticisms of the Somalia mission and the criticisms that the inquiry directed at the Canadian pre-deployment to Somalia? The deployment to Kosovo could make Somalia look like a Sunday-school picnic. Are we sending composite units that have never worked with each other before, or are they all from one brigade group? What is the size of the contingent that will go to Kosovo? Will we send more CF-18s over to Italy to back up our ground troops and their soon-to-be-increased operational tempo?

How will our troops be equipped? What medical care, particularly post-traumatic stress care, will be available for our soldiers and air crews when they return? Where are the relief and reinforcements to come from if we are also maintaining our forces in Bosnia? Does this mean an end to the Bosnian

commitment? One officer said to me today that there are not enough bayonets and not enough equipment to protect the bayonets, plain and simple.

The recently released Conference of Defence Associations strategic assessment questioned Canada's army organization and our ability to sustain our Bosnian forces. They said that as the army is now configured, it uses every resource at its disposal just to maintain the Bosnian commitment. Will we reorganize the army to better deal with these long-term commitments, or will we maintain our current poor configuration and trade one taxing commitment for another? Notions to that effect are destroying the Canadian army.

•(1450)

Finally, honourable senators, we do not even know who will pay for this venture. Will there be supplemental increases in the defence budget for Kosovo? I doubt it, especially after this last budget, which makes me think that this government does not want a military at all, period. Are we facing even greater cuts, as *The Globe and Mail* reported on February 1 of this year? Canadians want to know the answer to these questions and many more. I would be happy if the Leader of the Government would respond by telling us what he knows about the Kosovo operation at this point in time.

On motion of Senator Carstairs, debate adjourned.

The Senate adjourned until tomorrow at 2 p.m.

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CANADA

# Debates of the Senate

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1st SESSION

• 36th PARLIAMENT

• VOLUME 137

• NUMBER 116

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OFFICIAL REPORT  
(HANSARD)

**Thursday, March 4, 1999**

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THE HONOURABLE FERNAND ROBICHAUD  
ACTING SPEAKER

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(Daily index of proceedings appears at back of this issue.)

*Debates*: Chambers Building, Room 943, Tel. 995-5805

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## THE SENATE

Thursday, March 4, 1999

The Senate met at 2:00 p.m., the Acting Speaker, the Honourable Fernand Robichaud, in the Chair.

Prayers.

### SENATORS' STATEMENTS

#### INTERNATIONAL WOMEN'S DAY

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, it is with great pleasure that I rise today to inform you of an important event which will take place next week.

Monday, March 8, 1999, is International Women's Day which will mark the beginning of International Women's Week. This allows us the opportunity to celebrate the achievement of Canadian women and their outstanding contributions to our society.

The theme of this year's International Women's Week is "Going Strong: Celebrating Older Women." The goals of this year are to enhance understanding, harmony and mutual support across generations to increase the recognition of contributions senior citizens make to their families and their communities, and to encourage all sectors of society to be more responsive to a diverse ageing population in a rapidly changing world.

Honourable senators, International Women's Week is an opportunity for all Canadians to face with renewed energy the task of creating full equality for all women regardless of age. All Canadians, whether young or old, have the capacity to contribute to the improvement of society. We must dispel the myths and stereotypes about ageing. We must focus on realistic portrayals of our senior population, the ageing process and the benefits of active lifestyles for all Canadians as they enter their senior years.

Senior women in Canada have made and continue to make extraordinary contributions in all aspects of life. At the age of 70, Martha Munger Black became the second woman elected to the House of Commons, where she pursued changes in public health, pensions for people with visual impairments, and nature conservation.

Her Excellency the Right Honourable Jeanne Sauvé became the first woman Governor General of Canada at the age of 62. In 1949, at the age of 63, the Honourable Cairine Wilson, the first woman to sit in this chamber, became the first woman delegate to the United Nations.

Helen Kalvak, a Coppermine Inuit, began her distinguished art career in her sixties and quickly became a member of the

Canadian Academy of Art. Before her death at the age of 83, she had produced more than 3,000 works of art which eloquently portrayed the traditional way of life of her people.

Honourable senators, these are only a few examples of senior women who have made a tremendous impact on Canadian society. There are countless others across our nation who continue to make wonderful contributions to our lives. Some names we will come to know, others we will not. Let us celebrate with vigour all women, both young and old, whose courage, compassion and dedication to life have earned our respect and admiration.

### HEALTH

#### FIGHT AGAINST TOBACCO-RELATED DISEASES— TRIPS TO CALIFORNIA AND MASSACHUSETTS

**Hon. Colin Kenny:** Honourable senators, I rise today under the requirement of the rules of Internal Economy to report on a trip that I took outside the country.

I visited California on January 25. Honourable senators should know that I did it in conjunction with a visit to British Columbia to meet with the Canadian Cancer Society, a meeting of the provincial medical officers of health and to address the Board of the British Columbia Lung Association.

With leave of the Standing Committee on Internal Economy, Budgets and Administration, I then flew to Sacramento, where I spent eight hours. I had five meetings there and met with the chief of their cancer control branch, the chief of data analysis, the local programs unit chief and the planning department, all members of the California Department of Health Services which is responsible for their Proposition 99.

I would remind honourable senators that California is the state that reduced its smoking rate by 38 per cent in three years and currently has a youth smoking rate of 11 per cent, whereas Canada has a youth smoking rate of 30 per cent.

●(1410)

I also received leave from the committee to visit the State of Massachusetts. They have an interesting tobacco reduction program where, in a four-year period, they reduced the consumption of cigarettes by 40 per cent — forty per cent fewer cigarettes in four years. I was there for a total of 28 hours. During the time I was there, I met with the Massachusetts Tobacco Control Program administrator and the advertising agency involved with that program.

I attended a total of nine meetings in which 20 people from various groups were involved, including the American Cancer Society, Arnold Communications, the Tobacco Control Quit Line, the Tobacco Product Liability Group, the Stop Teenage Addiction to Tobacco, the Massachusetts Education Clearing House, the Boston Prevention Centre, and Churches Organized to Stop Tobacco.

I am pleased to have an opportunity to advise the house that this trip involved a total of 28 hours outside of the country.

## MAPLE LEAF GARDENS

HISTORY OF ARENA BUILT FOR  
TORONTO MAPLE LEAFS HOCKEY TEAM

**Hon. Frank Mahovlich:** Honourable senators, today I should like to speak on the closing of an institution. The Toronto Maple Leafs were purchased in the year 1927 by Conn Smythe. He was fired as manager of the New York Rangers just prior to his purchase of the Toronto St. Pats. He then changed the name of the team to the Maple Leafs.

In the process of raising the money needed to build the Gardens, he knocked on the door of mining executive J.P. Bickell, who had also built the McIntyre Arena in Schumacher, where he was the CEO of the McIntyre gold mine. I mention the McIntyre Arena, honourable senators, because that is where I was "born" as a hockey player. It was there in Schumacher that Bickell built the community centre for the use of all miners, to entertain and be entertained, so that morale would be high in that northern community.

When it came time to move the Toronto Maple Leafs from the Mutual Street Arena, Conn Smythe approached Mr. Bickell again to raise money. It was during the depression, and money was needed to build Maple Leaf Gardens. In a *Globe and Mail* article of February 17, 1999 about how Conn Smythe built the Gardens, Trent Frayne wrote:

It was never with hat-in-hand that Smythe approached business tycoons, seeking support in his zeal to get a new rink.

He also wrote:

And so for decades Smythe was applauded for his audacity in deciding early in the Great Depression that his hockey team simply had to have a new arena... Smythe was a very persuasive guy.

Although there was a depression, Bickell became Conn Smythe's aide by calling friends in high places, who came through for them. Shares of the Gardens were sold to the workers on the project — and I might add that there were a lot of Italians who worked on the building of the Maple Leaf Gardens, and took shares for their work done, and with the help of Sir John Aird,

President of the Bank of Commerce, the bank picked up the rest and thus the Gardens were built.

To honour J.P. Bickell, the board voted in favour of having a "most valuable" trophy, which is, to this day, one of the most prestigious that a Maple Leaf player can win. Conn Smythe is honoured by way of a trophy for the most valuable player in the Stanley Cup playoffs. That trophy is a copy of the Maple Leaf Gardens.

The last game at the Gardens was played on February 13 with 104 former players present, of which I was one. It was ironic that the Chicago Black Hawks were present at the end, because they were there at the beginning — and won both times.

## ROUTINE PROCEEDINGS

### CRIMINAL CODE CONTROLLED DRUGS AND SUBSTANCES ACT CORRECTIONS AND CONDITIONAL RELEASE ACT

BILL TO AMEND—REPORT OF COMMITTEE

**Hon. Lorna Milne,** Chair of the Standing Senate Committee on Legal and Constitutional Affairs, presented the following report:

Thursday, March 4, 1999

The Standing Senate Committee on Legal and Constitutional Affairs has the honour to present its

### TWENTY-SECOND REPORT

Your committee, to which was referred Bill C-51, An Act to amend the Criminal Code, the Controlled Drugs and Substances Act and the Corrections and Conditional Release Act, has, in obedience to the Order of Reference of Thursday, December 3, 1998, examined the said bill and now reports the same without amendment but with the following observations:

The committee agrees with the proposed amendments in Clauses 5 and 18(2), enacting *Criminal Code* ss. 186(5.1) and (5.2) and 492.1(5), respectively, which provide for the judicially-authorized removal of electronic surveillance devices after lawful surveillance has been concluded. The proposed amendments will create certainty with respect to the authorization process, on which the statute is presently silent. Some members of the Committee expressed concerns about the degree of certainty created, however, and the Committee would like to suggest that the Government review this matter in more detail and that it should conduct a policy or legislative review of privacy which includes the subject of electronic surveillance.

Two specific issues might be considered in this context. It was noted that, while the legislation now provides the basis for removing devices, and it is understood that the police generally seek removal as quickly as is feasible after an investigation is concluded, there is no specific statutory requirement to remove devices when they are no longer needed. Consideration might be given to the enactment of such a requirement, having regard to the practical requirements of protecting investigations and investigative techniques. It was also noted that, while there are detailed provisions setting the terms and conditions for installing devices and conducting authorized surveillance, the amendment provides only that the judge or justice who authorizes removal do so on "...any terms and conditions that the judge [justice] considers advisable in the public interest...." Consideration might be given to enacting more specific requirements governing removal, possibly when more is known about judicial application of the new provisions to actual cases in future.

Your committee heard testimony about the significant expansion in gambling in Canada during the last decades, particularly the last 15 years. We were told that expansion has occurred without a full review of the social, economic, and legal aspects of gambling and charitable gaming in Canada. The committee members are concerned that decisions regarding gambling are being made without adequate information. We are of the view that this is an issue that must be addressed and, therefore, we would urge the federal government, in cooperation with the provinces, to establish an independent public enquiry to review the impact that the gaming industry in Canada has on the economy, local communities, individuals and on human and social development. The Committee would like to stress that the advent of on-line gambling makes the creation of such an enquiry even more critical. We note that the United States Congress also had concerns with respect to gambling issues. In June of 1996, it established an independent commission, the National Gambling Impact Study Commission, to conduct a comprehensive legal and factual study of the social and economic impacts of gambling on governments and on communities and social institutions, including the individuals, families and businesses which compose them. That Commission is due to report in June 1999.

Respectfully submitted,

LORNA MILNE  
*Chair*

**The Hon. the Acting Speaker:** Honourable senators, when shall this bill be read the third time?

On motion of Senator Milne, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

[Translation]

## PRIVILEGES, STANDING RULES AND ORDERS

### EIGHTH REPORT OF COMMITTEE PRESENTED

**Hon. Shirley Maheu:** Honourable senators, I have the honour to present the eighth report of the Standing Committee on Privileges, Standing Rules and Orders concerning joint committees.

THURSDAY, March 4, 1999

The Standing Committee on Privileges, Standing Rules and Orders has the honour to present its

### EIGHTH REPORT

Pursuant to its mandate under Rule 86(1)(f)(i), your committee has examined the issue of a common set of Standing Rules and Orders for Joint Committees of the Senate and the House of Commons. This work was based on the recommendations that were made in the last Parliament by an informal working group, on which Senators Gauthier and Grimard represented your Committee.

Your Committee believes that there is much merit in having a common set of rules relating to joint committees. The Appendix contains the proposed Standing Rules and Orders for Joint Committees, as adopted by your Committee.

While there continue to be some minor differences in the versions approved by your Committee and the House of Commons Standing Committee on Procedure and House Affairs, your Committee believes that these could best be resolved by the leadership of the Senate and House of Commons.

Your Committee, therefore, recommends:

(a) that the leadership of the Senate enter into discussions with the leadership of the House of Commons with a view to the adoption of a common set of Standing Rules and Orders for Joint Committees of the two chambers along the lines of that contained in the Appendix; and

(b) that your Committee approve any changes to the Appendix before they are presented to the Senate for final approval.

Respectfully submitted,

SHIRLEY MAHEU  
*Chair*

(For text of Appendix A see today's Journals of the Senate, p. 1322.)



**The Hon. the Speaker:** Honourable senators, when shall this report be taken into consideration?

On motion of Senator Maheu, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

### ADJOURNMENT

**Hon. Sharon Carstairs (Deputy Leader of Government):** Honourable senators, with leave of the Senate and notwithstanding rule 58(1) (h), I move:

That when the Senate adjourns today, it do stand adjourned until Tuesday next, March 9, 1999, at 2:00 p.m.

**The Hon. the Acting Speaker:** Is leave granted, honourable senators?

**Hon. Senators:** Agreed.

Motion agreed to.

[English]

### PRIVATE BILL

CERTIFIED GENERAL ACCOUNTANTS' ASSOCIATION OF CANADA—  
FIRST READING

**Hon. Michael Kirby** presented Bill S-25, respecting the Certified General Accountants' Association of Canada.

Bill read first time.

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the second time?

On motion of Senator Kirby, bill placed on the Orders of the Day for second reading on Thursday, March 18, 1999.

•(1420)

### ASIA-PACIFIC PARLIAMENTARY FORUM

REPORT OF SEVENTH ANNUAL MEETING  
IN LIMA, PERU, TABLED

**Hon. Donald H. Oliver:** Honourable senators, pursuant to rule 23(6), and on behalf of Senator Hays, I have the honour to present, in both official languages, the report of the Canadian delegation of the Canada-Japan Interparliamentary Group to the seventh annual meeting of the Asia-Pacific Parliamentary Forum which took place in Lima, Peru from January 11 to 14, 1999.

### FOREIGN AFFAIRS

REFORMS TO INTERNATIONAL MONETARY FUND—  
NOTICE OF MOTION TO AUTHORIZE COMMITTEE  
TO STUDY, ENGAGE SERVICES AND TRAVEL

**Hon. John B. Stewart:** Honourable senators, I give notice that on Tuesday next, March 9, 1999, I will move:

That the Standing Senate Committee on Foreign Affairs be authorized to examine and report on possible reforms to the International Monetary Fund, especially in its economic and financial surveillance activity and its lending practices and on other international financial and trade developments

That the committee have power to engage the services of such counsel and technical, clerical and other personnel as may be necessary for the purpose of its examination and consideration of the said order of reference;

That the committee have power to adjourn from place to place inside and outside Canada; and

That the committee submit its final report no later than March 31, 2000 and that the committee retain all powers necessary to publicize the findings of the committee contained in the final report until April 22, 2000.

CANADA'S POLICY AND INTERESTS IN RUSSIA, UKRAINE AND  
THE CASPIAN SEA REGION— NOTICE OF MOTION TO AUTHORIZE  
COMMITTEE TO STUDY, ENGAGE SERVICES AND TRAVEL

**Hon. John B. Stewart:** Honourable senators, I give notice that on Tuesday next, March 9, 1999, I will move:

That the Standing Senate Committee on Foreign Affairs be authorized to examine and report on Canada's policy and interests in Russia, Ukraine and the Caspian Sea region.

That the committee have power to engage the services of such counsel and technical, clerical and other personnel as may be necessary for the purpose of its examination and consideration of the said order of reference;

That the committee have power to adjourn from place to place inside and outside Canada; and

That the committee submit its final report no later than March 31, 2000 and that the committee retain all powers necessary to publicize the findings of the committee contained in the final report until April 22, 2000.

COMMITTEE AUTHORIZED TO PARTICIPATE IN MEETING  
CONCERNING NUCLEAR DISARMAMENT ISSUES AND PERMIT  
ELECTRONIC COVERAGE BY ELECTRONIC MEDIA

**Hon. John B. Stewart:** Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(a), I move:

That the Standing Senate Committee on Foreign Affairs be authorized to participate in a joint meeting with the House of Commons Standing Committee on Foreign Affairs and International Trade on Wednesday, March 10, 1999, at 3:30 p.m. concerning nuclear disarmament issues; and

That the Committee be empowered to permit coverage by electronic media of its public proceedings with the least possible disruption of its hearings.

**The Hon. the Acting Speaker:** Is leave granted, honourable senators?

**Hon. Donald H. Oliver:** Could Senator Stewart advise us whether it is a common practice to have joint meetings with a similar committee from the other place? Further, will the meeting be held in the Senate committee room where the Foreign Affairs Committee usually meets, or will it be held in a House of Commons committee room?

**Senator Stewart:** I would not say that having joint meetings for new, particular purposes is common practice. However, my request is certainly not without successful precedents. There have been special joint meetings from time to time.

In this particular instance, the circumstances are as follows: In December of 1998, the House of Commons committee produced a report on nuclear disarmament. It has now arranged for several prominent Americans to come here to discuss the implications of that report. It seems to me that the Senate might wish to take advantage of that opportunity.

**The Hon. the Acting Speaker:** Honourable senators, is leave granted?

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** For this side, leave is granted.

Motion agreed to.

[Translation]

## INTERNATIONAL WOMEN'S WEEK

PARTICIPATION OF WOMEN  
IN LEGISLATIVE INSTITUTIONS—NOTICE OF INQUIRY

**Hon. Serge Joyal:** Honourable senators, I give notice that on Tuesday next, March 9, 1999, I will call the attention of the Senate to International Women's Week, and to the participation of women in the legislative institutions of Canada, at the federal and provincial level, and particularly in the Senate of Canada.

[English]

## QUESTION PERIOD

### SOLICITOR GENERAL

RAID BY RCMP ON HOME OF B.C. PREMIER  
IN PRESENCE OF MEDIA—GOVERNMENT POSITION

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, it is not every day that we have the opportunity to rise and defend members of other political parties. However, because of a matter that occurred in British Columbia recently, we feel compelled to raise with the minister in this house questions concerning Premier Glen Clark,

whose home was raided by the RCMP. The allegations of wrongdoing notwithstanding, we wonder how many other Canadians are concerned that the execution of a search warrant was displayed on national television.

My question is with regard to how these incidents occur. Would the Leader of the Government in the Senate explain why this RCMP visit, or raid, or execution of a warrant, became a media event? Will there be an investigation into the conduct of the RCMP in this regard?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, as the Honourable Senator Kinsella knows, the Government of Canada does not interfere with police work in this country. I believe I have emphasized that fact on other occasions.

I have no idea how the media arrived at the same time as the execution of the search warrant by the RCMP. I would leave that to the people most responsible to further investigate the matter. If a request for an investigation is made to the proper authorities, I am sure that that request would be responded to in due course. Beyond that, I have no more knowledge than that which I gained from watching television or reading the newspapers.

**Senator Kinsella:** I thank the Leader of the Government for that answer. I take it from his response that he, like all of us, was astonished to be witnessing this incident on national television.

●(1430)

In terms of government's responsibility in these kinds of matters, there is the old principle of *quis custodiet ipsos Custodes?* Who is guarding the guardians? We as parliamentarians surely cannot ignore that. Perhaps we need to question what the responsibility of Parliament is in these kinds of matters.

Is it the policy of this government that the RCMP is not accountable to the Solicitor General and thereby to Parliament?

**Senator Lynch-Staunton:** No, to Walt Disney.

**Senator Graham:** Senator Lynch-Staunton has just put his own interpretation on the question. I do not know if that will be recorded in Hansard.

**Senator Lynch-Staunton:** I hope it is because that is your Mickey Mouse way of handling it.

**Senator Graham:** I reiterate that the RCMP operates at arm's length. How the media happened to be there is beyond my knowledge. I am sure that as this whole matter evolves, there will be further elucidation with respect to the vigilance of the media at that particular time and, indeed, how they got the information that such a search warrant was to be issued. We have not yet established that. It may have been entirely coincidental. It may be the result of a very alert and vigilant press. I am not aware of any linkage between what the RCMP did and the fact that the press appeared on the scene at the same time. In other words, we have no indication at this time that there was a tip-off from the RCMP to the media that this event was to take place.

**Senator Kinsella:** Will the Government of Canada, through the Solicitor General be asking the Commissioner of the RCMP for a report on this matter? If so, will that report be tabled in this house?

**Senator Graham:** Honourable senators, if such a report were made available, I would be happy to bring it forward to this house. If there is such a complaint, it should begin with the Premier of British Columbia because he is the aggrieved person in this case.

I suggest to my honourable friend that we wait and see what happens as this particular case unfolds.

**Senator Kinsella:** Honourable senators, would the Leader of the Government in the Senate ask his colleague the Solicitor General to ask the Commissioner of the RCMP to inquire into this matter?

**Senator Graham:** I would be happy to bring the representations of the Honourable Senator Kinsella to the attention of my honourable colleague.

RAID BY RCMP ON HOME OF B.C. PREMIER  
IN PRESENCE OF MEDIA—JURISDICTION OF  
PROVINCIAL ATTORNEY GENERAL—GOVERNMENT POSITION

**Hon. John B. Stewart:** Honourable senators, the RCMP is indeed a federal force, but is it not true that under the Constitution the administration of justice is a matter for the government in that province?

**Hon. B. Alasdair Graham (Leader of the Government):** The answer is in the affirmative.

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Is it not equally true that the policies of the RCMP, as managed by the Commissioner of the RCMP, are the direct responsibility of the Solicitor General who, in turn, one hopes, is responsible to Parliament? Under this government, they do not seem to be responsible to anyone.

**Senator Graham:** Honourable senators, I would think the general policies would be the responsibility of the Government of Canada. The carrying out of those responsibilities is within the jurisdiction of the individual provinces.

**Senator Lynch-Staunton:** Like the APEC case then? Do we blame the province for that?

**Senator Graham:** If the honourable senator wants to revisit APEC, we can do that, too.

## NATIONAL DEFENCE

AVAILABILITY OF LONG-TERM FUNDS FOR MAINTENANCE OF  
SEA KING HELICOPTERS—REIMBURSEMENT OF SHEARWATER  
BASE FUNDS FROM RESERVE FUND—GOVERNMENT POSITION

**Hon. J. Michael Forrestall:** Honourable senators, I hate to interrupt this discussion but I have a question for the Leader of

the Government in the Senate. It is somewhat supplementary to my earlier questions on the maintenance of the Sea King helicopters.

The Sea King that went to the Persian Gulf with the *HMCS Toronto* received several modifications prior to departure. I am told that Shearwater had been informed that the money for these modifications would come from a central — and I quote to be sure we understand this term — “war pot” of money.

Instead, Shearwater has now been informed that these costs of modification will come from its maintenance budget. Long-term maintenance has been delayed by one year and the budget is termed as “marginally adequate” for maintenance.

Will the minister go to his colleague and ask him where these “war pot” moneys went? More important, will he reimburse Shearwater’s maintenance costs which were expended on the strengthening of the Sea King for a particular purpose?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I am not aware of the transfer of funds from one budget to another, any more than I am aware of the so-called “war pot” to which the Honourable Senator Forrestall refers. I would be happy to look into the matter.

**Senator Forrestall:** Honourable senators, I would invite the Leader of the Government to have someone bring his briefing notes up to date, because this is a serious matter. We are sending people out in equipment that, according to some very knowledgeable people, is totally inadequate and unsafe.

DETENTION OF OSCE OBSERVERS BY SERB FORCES IN KOSOVO—  
MONITORING OF SITUATION—GOVERNMENT POSITION

**Hon. J. Michael Forrestall:** Honourable senators, on another subject, again, yesterday, we came within minutes of entering into what can only be described as local war after 21 OSCE monitors were taken prisoner by the Serb forces in Kosovo and held for 24 hours. NATO’s extraction force, based on the 1st Battalion King’s Own Regiment, backed up by Italian Forces helicopters and 21 armoured vehicles, was only moments from forcibly intervening in Kosovo to protect the monitors.

Has the Canadian government taken any steps to withdraw our 23 or so monitors from Kosovo? Is there a contingency plan to do so should that be necessary?

**Hon. B. Alasdair Graham (Leader of the Government):** I want to assure all honourable senators that there is a contingency plan. I had discussions with the Minister of Foreign Affairs and the Minister of National Defence as recently as yesterday. The matter is being monitored on an hourly basis.



## CANADA MORTGAGE AND HOUSING CORPORATION

BUDGET MEASURES TO AID PLIGHT OF HOMELESS—  
GOVERNMENT POSITION

**Hon. Erminie J. Cohen:** Honourable senators, my question concerns this government's commitment to housing. A few days ago and a few blocks from Parliament Hill, Lynn Maureen Bluecloud, a 33-year-old, homeless, pregnant, native woman was found dead in a small park at the corner of Nicholas and Laurier Streets. The cause of death was hypothermia. The problem of homelessness is real yet the government is doing nothing to address it.

On February 11, the very day a group of homeless Canadians came to Ottawa seeking solutions, the government tabled a housing bill. Bill C-66 does nothing to deal with the very serious housing problems faced by many low-income Canadians. Instead, it allows the government to take some \$200 million out of Canada Mortgage and Housing Corporation between now and the year 2002 by charging what, for all intents and purposes, is a user fee for the Crown's backing of CMHC's profitable mortgage insurance program.

Could the government leader justify the decision to pull \$200 million out of the corporation charged with helping house Canadians at a time when thousands of Canadians are forced to sleep in shelters each night? Could he also explain why the budget failed to deal with this problem?

•(1440)

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I would think that perhaps if Senator Cohen examined the provisions of the budget more carefully, she might find many provisions in there with respect to homelessness. This serious problem is not confined to one particular part of the country; it is a problem all across the country, and is of great concern.

The government has provided, through CMHC and other agencies and departments, more funding to help meet the needs of the homeless. Presently, we are looking at the study commissioned by the Mayor of Toronto, and the Canada Mortgage and Housing Corporation. The Government of Canada will sponsor a special conference on the issue to be held in Ottawa in June. I made mention of that when Senator Cohen raised a similar question several weeks ago.

This is a very important question, and I appreciate the honourable senator's concern. In fact, I encourage others who are directly involved in this problem to consult with Senator Cohen. I hope that she will offer her expertise preceding and during that particular conference.

## ORDERS OF THE DAY

## THE ESTIMATES, 1999-2000

NATIONAL FINANCE COMMITTEE  
AUTHORIZED TO STUDY MAIN ESTIMATES

On the Order:

Resuming debate on the motion of the Honourable Senator Carstairs seconded by the Honourable Senator Callbeck:

That the Standing Senate Committee on National Finance be authorized to examine and report upon the expenditures set out in the Estimates for the fiscal year ending March 31, 2000, with the exception of Parliament Vote 10 and Privy Council Vote 25.

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I moved this motion yesterday. At that point, questions were raised by both Senator Stewart and Senator Comeau with respect to the ability of the Standing Senate Committee on Fisheries to receive the Estimates specifically for the Department of Fisheries, rather than the Standing Senate Committee on National Finance.

## MODIFICATION OF MOTION

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Therefore, with leave of the Senate, pursuant to rule 30, I would ask that the motion tabled yesterday be modified in the following way:

That the Standing Senate Committee on National Finance be authorized to examine and report upon the expenditures set out in the Estimates for the fiscal year ending March 31, 2000 with the exception of Fisheries and Oceans Votes 1, 5 and 10, Parliament Vote 10, and Privy Council Vote 25.

**The Hon. the Acting Speaker:** Honourable senators, is leave granted?

**Hon. Senators:** Agreed.

**The Hon. the Acting Speaker:** Is it your pleasure, honourable senators, to adopt the motion as modified?

**Hon. Senators:** Agreed.

Motion, as modified, agreed to.

FISHERIES AND OCEANS VOTES 1, 5 AND 10 REFERRED  
TO THE FISHERIES COMMITTEE

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, with leave of the Senate, and notwithstanding rule 58(1)(f), I move:

That the Standing Senate Committee on Fisheries be authorized to examine the expenditures set out in Fisheries and Oceans Votes 1, 5 and 10 of the Estimates for the fiscal year ending March 31, 2000; and

That the committee present its report no later than December 10, 1999.

**The Hon. the Acting Speaker:** Is leave granted, honourable senators?

**Hon. Senators:** Agreed.

Motion agreed to.

### VETERANS HEALTH CARE SERVICES

#### CONSIDERATION OF REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE ON STUDY—DEBATE CONCLUDED

The Senate proceeded to consideration of the sixteenth report of the Standing Senate Committee on Social Affairs, Science and Technology entitled: "Raising the Bar: Creating a New Standard in Veterans Health Care," deposited with the Clerk of the Senate on February 25, 1999.—(*Honourable Senator Phillips*).

**Hon. Orville H. Phillips:** Honourable senators, the report of the Senate subcommittee contains 68 recommendations. I have been agonizing over it, and wondering how to condense 68 recommendations into the allotted 15 minutes. I first prepared notes for a speech taking 50 minutes. I then reduced it to 40. This morning, I hope I brought it down to 20 or 25 minutes. Honourable senators, I give you your choice. I should like to proceed with the 20 to 25 minute speech, if that is your wish.

The report is divided into three parts. The first part deals with our visit to nine facilities which contain resident veterans. We visited 70 per cent of the priority access beds and contract beds supervised by Veterans Affairs Canada. During our visits, we were accompanied by Mr. John Walker, who is the Director for the Health Care System in the Department of Veterans Affairs, and the regional directors and provincial directors. The presence of the Veterans Affairs official was beneficial, as they heard the complaints and comments we received. Action has already been taken on many of the complaints.

During the visits, we toured the facilities, met with the residents and, in some cases, the residents and their families. I would point out that we ate the food prepared for the residents that day. Sessions were held with management, the administrators, and the nursing supervisors. We were impressed by the dedication of those who care for the veterans. They have problems arising out of the cutbacks to health care, and I will deal with these later in my remarks. Time does not permit me to go into the visit to each facility. However, I would urge honourable senators to read section 1 of the report, which covers each facility.

I should like to comment briefly on the improvements to Sunnybrook Veterans Health Centre following our first visit there last year. At that time, we made certain recommendations. A sprinkler system has now been installed. A dementia and Alzheimer's ward has been approved, certain renovations have been carried out, and the food has been improved. I think the most pleasing thing to us was that there was a higher degree of patient satisfaction, which leads me to believe that our visit was well worthwhile.

The second part of the report deals with general issues. The first one I should like to mention is the inclusion of the various veterans facilities under the regional health authorities. This leaves them in a minority position in many of the new mega-hospitals. I point out that what has really been created are three levels of government with which the veterans facilities must deal — the regional health authority, the provincial authority, and then Veterans Affairs Canada.

On our first visit to Sunnybrook, I left with some concern that the Kilgour and the George Hees wings would become insignificant in the new facility. The merger included Sunnybrook Hospital, Wellesley Women's Hospital, and a new orthopaedic centre. This facility, in turn, operates under a regional health authority which allocates the funding to that particular hospital.

•(1450)

I asked the acting director of the veterans wings if the veterans wings were receiving adequate funding. She replied that the budget she submitted had been reduced to approximately 60 per cent of her original request. She will now have to spend considerable time explaining to the hospital board, to the hospital administrators, and possibly to the regional health authorities, why she requires this additional funding. This also detracts from the amount of time she has to supervise veterans' care in the institution.

The Colonel Belcher Hospital in Calgary is an old building. It has many problems. It is poorly designed by today's standards, has heating problems and is very expensive to maintain. Colonel Belcher asked the regional authority for permission to build a new building. The Province of Alberta has frozen all new facilities until July 1 of this year. The application will now have to go to the regional health board, which in turn must seek approval from the province. The province, in turn, will approach Veterans Affairs Canada for funding for the veterans' portion of the hospital.

It is my hope that these negotiations between the province and Veterans Affairs Canada will not take too long and that they can then proceed with the necessary planning of the facility, the architectural specifications, the tender call, and the construction. We did a time line on this, honourable senators, and we can see it requiring approximately six years to complete a new facility. On average, the veterans are now 80 years of age. Many World War II veterans will see no benefit from the new facility.

Broadmead in Victoria, an excellent facility, is asking for an additional 20 beds. Again, they will have to follow this lengthy, detailed procedure.

George Darby in Vancouver would like to become a multi-level facility, provide a higher level of care for its patients, and begin some innovative procedures for looking after outpatients. They will also have to deal with the regional health authority in some of these matters.



We found it interesting that George Darby has an affiliation arrangement with the regional health board which allows them to take advantage of bulk buying yet have a certain amount of autonomy for their own operations. I hope Veterans Affairs Canada will be able to negotiate an affiliation agreement for other institutions to overcome this bureaucratic constipation that has set in for the veterans administration.

Some of the complaints we received dealt with staffing. In our preliminary report, we emphasize that veterans require more nursing care than the ordinary ward. In an ordinary ward in a hospital, whether it be surgical or medical, the patients are younger, they are recovering, and each day they are able to do more for themselves. In the case of veterans, their situation is deteriorating. Each week, each month, they are able to do less for themselves. Therefore, they require more care. We hope that Veterans Affairs Canada will be able to place extra nurses in many veterans facilities to help meet their needs.

We received complaints particularly about the sunset shift and the night shift. "Sunset shift" refers to the fact that at three o'clock they start reducing the number of nurses on duty so that by the evening meal there is insufficient staff to help with the patients, many of whom cannot cut their own meat or open the containers the food is served in. The "night shift" consists of two people, one registered nurse and another registered nursing assistant, for about 40 patients. Many veterans have to be turned at night and receive medication. Here, again, more staff is required.

The other complaint we often received was that of rethermalized food. Rethermalized food is prepared in advance, frozen and delivered to the institution. There, it is supposed to be reheated — usually in a microwave oven — and then served to the patients. When we arrived at Deer Lodge in Winnipeg, we walked into a hornet's nest. About 10 days prior to that, rethermalized food had been introduced to all the facilities under the regional health authority board. It was a rather unfortunate situation. It was a new company preparing the food and the staff in the facility had not been trained to prepare the food properly or to distribute it on the trays. We met with a rather disturbed group of patients and their families. I think probably a retired padre expressed it best when he said that "it was dehumanizing to treat veterans in this manner."

In all fairness, Veterans Affairs Canada moved quickly. They had dietitians and nutritionists in Deer Lodge within 48 hours and have achieved considerable improvement.

Honourable senators, rethermalized food may be all right for a patient in a hospital for a period of five days. However, after five months, it becomes very monotonous. At various facilities, we noticed unused portions remained in prep kitchens, where toast could be made and muffins heated to break up the monotony. It is the breakfast meal that causes the most concern to veterans. Veterans Affairs Canada has offered to buy commercial toasters and microwaves to heat muffins, and I hope many of the institutions that are using those will take advantage of that offer.

A number of the institutions, such as Colonel Belcher, George Darby and Broadmead, have found that there is no saving utilizing rethermalized food so prepare their own on site and have a much more contented group of residents. In our report, we made recommendations for a degree of autonomy for the veterans facilities to allow them to do things of this nature.

In 1945-46, the Parliament of Canada made a firm commitment to Canadian veterans. The commitment included access to what we now call priority access beds for veterans. They are usually referred to as PABs. The commitment made in 1945-46 must not be betrayed by the Parliament of 1999 or in the 2000s.

•(1500)

Honourable senators, a crisis situation is developing in regard to the priority access beds. I sometimes think of it as a tidal wave approaching. We do not know the strength or the size of the tidal wave. Presently, there are approximately 410,000 survivors of World War II and the Korean conflict. Of these veterans, 160,000 served overseas and received no disability pension, yet they are entitled to a priority access bed. There are 86,000 veterans receiving some form of disability pension and they are entitled to priority access beds. Approximately 46,000 on War Veterans' Allowance are also entitled to priority beds. These figures may be somewhat out of date, therefore, I will estimate that we now have 250,000 veterans entitled to priority beds. At the present time, Veterans Affairs Canada has 4,000 beds, and that includes Sainte-Anne-de-Bellevue Hospital.

We have now reached a situation where, with the veterans being an average of 80 years of age, it is too late to start planning bricks and mortar. We cannot plan hospitals and long-term care residences and meet that rapidly approaching need. Therefore, we have attempted to come up with recommendations to meet those needs.

The first recommendation is that the 160,000 Canadians who served overseas, and received no disability, receive a VIP-like allowance. The Veterans' Independence Program has been most successful in keeping the veterans in receipt of disability pensions in their homes longer, thus reducing the demand for veterans' beds. We hope and would expect that the VIP program will be beneficial in keeping the 160,000 in their homes longer and further reduce that requirement for beds.

Veterans Affairs Canada is planning three pilot projects; one in Victoria, one in Ottawa, and one in Halifax, which are the three centres with the longest waiting lists for beds. The plan is to modify the home and make the bathrooms wheelchair accessible and other requirements in order to keep the veteran in the home longer. The committee supports the proposal for the pilot projects but we have concern, and I have particular concern, that the plan is based on the spouse being the primary caregiver. If the veteran is 80 to 85 years of age, it is most likely that the spouse is in the same age range. Therefore, we cannot expect the spouse to be the primary caregiver 24 hours a day, seven days a week, throughout



the year. More assistance is required for the spouse in terms of laundry, changing beds, bathing the veteran and some help in meal preparation. The spouse must also have some respite time and someone to come to the home and stay with the veteran to give him or her a break.

The second recommendation we made was cluster homes. This would be a group of homes, perhaps 12 to 16, with an enclosed courtyard in which there would be a paved walk for use by those in wheelchairs or those who require walkers. The cluster home plan also provides convenience for the nurse clinicians. They could make one visit, instead of calling at one part of the city and driving 20 minutes to 30 minutes for the next visit. This would save time and expenses in travelling. The same would apply to physiotherapists and social workers.

The interesting element is that the cluster homes need not cost Veterans Affairs a great deal of money. They could be built by private developers, Legion groups, service clubs or church groups, separately or in cooperation. Veterans Affairs Canada could guarantee that the units would be rented for a number of years. I would point out that the veteran and his spouse occupying the home would be paying rent.

Veterans Affairs officials tell us that they can keep seven to eight veterans at home under the VIP program for the cost of keeping one in an institution. I started to do some calculations on the savings. I took one in five of the 250,000 who are entitled to a priority access bed and determined that that would be a reasonable number of those requesting priority beds. If you multiply 250,000 by \$3,000 a month, the minimum cost, and you come to \$750 million a month. When I mentioned this figure to Veterans' Affairs Canada they went ballistic. I know that is perhaps the worst case scenario.

On the other hand, I feel Veterans Affairs is vastly underestimating the number of priority beds that would be required. Perhaps we could make a saw-off at 25,000 veterans requesting priority beds in the next few years. If we could reduce the number by 25,000, that would be a saving of \$75 million a month to federal and provincial taxpayers. It makes the project well worthwhile proceeding with and proceeding quickly.

We noticed that each facility seemed to be operating in isolation almost independent from the others. We have recommended that the administrators of various facilities meet to discuss their mutual problems. I am sure they would benefit from a meeting of that nature.

We are also in an age of rapid communication. The use of the Internet and Web sites are now very popular as means of communicating. We have recommended that Veterans Affairs establish such a Web site. Problems can be referred from one institution to another.

•(1510)

Even more important, contact can be made between those on the same working level — that is, the nursing supervisors or the financial officers. It is very important also for those in smaller institutions of 30 to 50 beds. They can refer problems to Veterans

Affairs in Charlottetown or Sainte-Anne-de-Bellevue and obtain assistance in this regard.

I wish to thank our researcher, Grant Purves, for his assistance in developing this proposal, because Senator Johnstone and I both think we have done very well if we can turn on the computer and turn off the computer. We thank Mr. Purves for his suggestions and assistance in this regard.

The last part of the report deals with pensions. There is a misconception that every veteran receives a pension. That is far from the case. Of the 410,000 survivors, 68,000 receive pensions. In other words, approximately 17 per cent receive disability pensions. Of the 17 per cent, two out of three receive less than 25 per cent disability. Only 5 per cent receive 100 per cent disability. Those figures are far too low.

The pension application has three steps. First, there is the adjudication. If the veteran is not satisfied with the result, he can apply for a review. The third or final level is the Veterans Review and Appeal Board.

There is a chart in our report to which I would ask honourable senators to refer. I wish to draw your attention to two items in particular. The first deals with arthritis. On the adjudication level, 20 per cent, or one in five, receive a favourable decision. On the review, the ratio is about one in three, and on the Veterans Review and Appeal Board, the final stage, about one in five receive favourable decisions.

The veterans were injured in many ways. The shock absorbers in tanks were not necessarily the best. Many people were injured on the Corvette in rough seas. Others are what we call "walk-aways" from aircraft crashes. These men were 20 to 25 years of age at the time and in good physical condition. They hurt for a few days. The pain went away and they said they were all right. Upon discharge at the age of 20 or 25, they wanted to be out of the service. They made no complaint, and the medical record says "no complaint on discharge." However, at the age of 45 or 50, it is a different story — they begin to hurt. It is a well-known medical fact that an injury leads to arthritis. They then apply for pensions because they have arthritis as a result of injury, but there was no complaint upon discharge.

The other issue I would draw to your attention, honourable senators, relates to spinal injuries. Again, the figures are very discouraging — one in five approvals on the first application and four in ten on review. Again, we come back to one in ten with respect to the Veterans Review and Appeal Board. That is the level where any benefit of the doubt is supposed to be made in the veteran's favour, yet the board is continually coming down with decisions that give a result of one in ten. I sometimes think a veteran would have better odds at the roulette wheel than he would going before a Veterans Review and Appeal Board.

A long-standing complaint of veterans groups has been the two-fifths assessment.

Honourable senators, I believe I will need another six or seven minutes to complete my remarks.

**The Hon. the Acting Speaker:** Is leave granted, honourable senators?

**Hon. Senators:** Agreed.

**Senator Phillips:** I will explain this by discussing two cases with which I dealt. One was with a dispatch rider who had his knee injured in an accident. As he did not wish to be separated from his group, he put up with the discomfort for a few days and it went away. Then, after a number of years, we finally got him a favourable decision and pension. However, he was told that only two-fifths of his discomfort was due to the injury. The rest of his discomfort was due to the fact that he had grown old. However, that conveniently overlooks one fact: The right knee has normal flexion and normal reflexes, so why did the left side age and the right side not age?

The other case involved a seaman on a Corvette. The depth charges had broken loose and were floating around the deck in a storm. It was a very undesirable situation. All hands were put to work to get them tied down, at which time he hurt his shoulder and his spine. The same thing happened — years of appeals before Veterans Affairs Canada, and he received a pension. Two-fifths of the injury was ruled to be as a result of his wartime service and the rest was due to the fact that he had grown old. However, they again overlooked the fact that while the right shoulder was stiff, the left moved freely. I ask the question again: Why did the right shoulder age and not the left?

This procedure, honourable senators, is unfair, unjustified and unconscionable. I hope that we move in a way that countries such as Australia have moved by stating that if there is an injury and a disability as a result of wartime service, the whole thing is pensionable, never mind the age factor.

I should like to refer to peacekeepers for a moment. Many peacekeepers come home and have a troubled life, particularly for the first three years. There is a high incidence of family abuse and marriage breakup. Many are released from the service and have no real desire to look for a job. They are in a very disturbed mental state of mind. They want nothing to do with the Department of National Defence or Veterans Affairs Canada.

Honourable senators, we have recommended that a 1-800 phone line be established for these people to receive counselling. As well, perhaps the peacekeeping organization might take their problems to Veterans Affairs Canada and the Department of National Defence to try to get these individuals some help. They will not go there themselves, as I say, particularly during the first three years.

•(1520)

Dr. Westwood at the University of British Columbia has introduced a rather interesting procedure for counselling veterans. He talks to them, videotapes their discussion of their

wartime experiences, plays it back to them and talks to them about it. He has been very successful with that, and perhaps he could do the counselling and set up a program around the rest of the country.

In closing, honourable senators, I want to thank my long-time friend Senator Johnstone for his assistance in the fact-finding tour. I found it very pleasant working with him, probably because he let me do most of the talking. I generally find it easy to work with people who let me do most of the talking.

The final appendix to the report is a letter from Mr. Walker of Veterans Affairs Canada in which he urges the Senate to revisit the problems that he lists in his letter. He practically challenges the Senate to revisit these facilities, and to note the improvements that have been made as a result of the fact-finding visits.

Since neither Senator Johnstone nor I will be here this fall, I am asking that the Senate undertake that task and carry out the follow-up visits.

**Hon. Archibald Hynd Johnstone:** Honourable senators, it is my good fortune to have been elected deputy chair of the Senate Subcommittee on Veterans Affairs chaired by the Honourable Senator Phillips. Fifty-eight years ago, Senator Phillips and I entered Prince of Wales College in Charlottetown. There, for two years, we were members of number 60 Air Cadet Squadron and attended cadet summer camp together. Later, we both served as members of heavy bomber squadrons flying out of Yorkshire, England during World War II.

Generations have grown up to whom World Wars I and II and the Korean conflict are little more than historical facts. It is not surprising that memories of these terrible conflicts are receding to the point of being almost forgotten. It might therefore be a surprise to some to recall that approximately 400,000 veterans of these three disastrous conflicts I have mentioned are still alive, many of them hospitalized or in facilities where their health needs are being cared for.

It is generally conceded that the health of war veterans tends to break down at least two years earlier than that of members of the public at large. This does not take into account those who were blinded, lost limbs or were otherwise incapacitated due to war. It was with these people in mind that Senator Phillips and I, accompanied by members of Veterans Affairs Canada and other competent people, crossed Canada from coast to coast to visit veterans facilities in an effort to determine the state of health care for veterans and servicemen and women. In the allotted time, we could not visit every facility but we did manage to spend time in those facilities which take care of approximately 70 per cent of those veterans who are institutionalized for one reason or another. At this point I should like to recommend that visits to smaller units be initiated to ensure that their level of care is comparable to that of the larger facilities.



Strangely, we received few complaints from veterans themselves, who remained intensely loyal to the care facility which housed them. Initially, it was the wives or sons or daughters who informed us of any shortfall on the part of the facility we might be visiting.

When veterans were informed that we, too, had been "over there" and had known something of battle conditions, they gradually opened up and were soon talking at ease. Most veterans with whom we spoke seemed to think that they had been forgotten, a kind of "Out of sight, out of mind" situation. They would shake hands with us, sometimes twice, forgetting to complain but not forgetting to thank us for coming, often over and over again. It was in fact not unusual, as we tried to leave, to see two or three old veterans coming down the corridor as fast as they could manage to take us by the hand, once again, and thank us for coming.

This report is a reminder to all of us that veterans still exist. Because of their sufferings and their service to their country — indeed, to the cause of liberty around the world — we must remember that they remain our responsibility.

Let me recount for you a brief story told to me by a good friend, a distinguished jurist who was visiting a colleague in one of these veterans facilities. This colleague, a veteran of World War II, had served with distinction and honour in his profession, and was confined to this facility because of his ill health. You can appreciate my friend's surprise and chagrin when the veteran was called by his first name and treated by an attendant in a patronizing manner, almost as if he were a child. I would hope that this is only an isolated case.

I tell honourable senators that story because I believe that veterans — indeed, all older people — deserve courtesy and respect from those caring for them. I would suggest that courtesy and respect are as important as treatment, and that these, coupled with consultation concerning their needs and treatment, are essential to the quality of life of our war veterans.

I would be remiss if I did not say something about the administration and staff of the various facilities we visited. It is our impression that they serve our war veterans with dedication and understanding, as do the various boards to which they are responsible.

At this point, I should like to express my thanks to Veterans Affairs Canada for their open and frank discussions with the subcommittee. Their courtesy to us and their dedication to Canada's war veterans are much appreciated. Across the country, almost invariably, we heard good things about the department and its work on behalf of those it is their responsibility to serve.

The recommendations in this report are suggestions only, but they are made because of the subcommittee's deep belief that Canada owes our veterans a vast debt, one that is not easily

repaid. It is my hope that this report will cause us to remember those who so unselfishly sacrificed so much.

**Hon. Colin Kenny:** Would the Honourable Senator Phillips entertain a question?

**Senator Phillips:** Certainly.

**Senator Kenny:** First, I should like to say it is wonderful to see two Islanders — one, the most senior in the chamber, and the other, one of the newest — both doing a terrific job on this issue. I am sure all honourable senators feel proud of the work they have done in bringing this matter forward.

My question is: Can you associate a cost with your recommendations? Can you tell us how much it would cost to fix the problems you saw while you were crossing the country?

•(1530)

**Senator Phillips:** Honourable senators, I believe that approximately \$20 million would cover the necessary improvements to the institutions. That would include the renovations to the remaining wards in Kilgour and some minor renovations to Parkwood. The ceilings in Deer Lodge are vaulted and create a sheen, which makes it very difficult for cognitively impaired patients to walk.

I could not make an estimate with regard to Colonel Belcher because it is a new facility. However, George Darby and Broadmead would make up the remainder of the \$20 million.

A VIP-like award to the 160,000 overseas veterans without disability benefits would cost in the vicinity of \$30 million to \$35 million a year.

The expenditure for cluster homes would be very small. I would only expect Veterans Affairs Canada to approve the design, control the rental, and perhaps make some low-cost loans to various groups wishing to start these cluster homes. When veterans no longer require them, they can be used by others of the ageing population. I estimate that \$60 million would cover all of the recommendations.

At present, Veterans Affairs Canada gives back almost that amount to the Receiver General of Canada as they do not spend all of their budget every year.

**Senator Kenny:** Honourable senators, with respect, the last addendum astonishes me. Why are they giving the money back to the Receiver General and not spending it to fix these problems?

**Senator Phillips:** I have been asking the same question for years.

**The Hon. the Acting Speaker:** If no other honourable senator wishes to speak, this order is considered debated.



## SEXUAL ASSAULT

RECENT DECISION OF SUPREME COURT OF CANADA—  
INQUIRY—DEBATE ADJOURNED

**Hon. Anne C. Cools** rose pursuant to notice of March 2, 1999:

That she will call the attention of the Senate:

(a) to the judgment of the Supreme Court of Canada in the sexual assault case *Her Majesty the Queen v. Steve Brian Ewanchuk*, delivered February 25, 1999, which judgment reversed the Alberta Court of Appeal's judgment upholding the trial court's acquittal;

(b) to the intervenors in this case, being the Attorney General of Canada, Women's Legal Education and Action Fund, Disabled Women's Network Canada and Sexual Assault Centre of Edmonton;

(c) to the Supreme Court of Canada's substitution of a conviction for the acquittals of two Alberta courts;

(d) to the lengthy concurring reasons for judgment by Supreme Court of Canada Madame Justice Claire L'Heureux-Dubé, which reasons condemn the decision-making of Mr. Justice John Wesley McClung of the Alberta Court of Appeal and the decision of the majority of the Alberta Court of Appeal;

(e) to Mr. Justice John Wesley McClung's letter published in the *National Post* on February 26, 1999, reacting to Madame Justice L'Heureux-Dubé's statements about him contained in her concurring reasons for judgement;

(f) to the nationwide, extensive commentary and public discussion on the matter; and

(g) to the issues of judicial activism and judicial independence in Canada today.

She said: Honourable senators, one wonders what American feminist Catharine MacKinnon's book, *The Theory of the Feminist State*, has to do with law and jurisprudence in Canada. What does a raw, gender feminist, ideological diatribe that seeks to criminalize man-woman sexual relations have to do with the Supreme Court of Canada, or with an Alberta Superior Court judge, the grandson of Nellie McClung? Catharine MacKinnon, a gyno-centric feminist, postulates that man-woman sexual relations are abhorrent because they violate women, and that in a patriarchal society all heterosexual intercourse is rape. MacKinnon helped to craft sexual assault laws in Canada. This gender feminist ideology has driven much law in Canada, and consequently has driven much injustice. It has ravaged law, justice, many careers, and many human lives. It worked for many years. It was even lucrative. It resulted in positions, jobs, grants, and even appointments to the bench. It created a terrible silence as it inflicted obvious injustices on many. It was buttressed by feminist terrorism and aggression, ready to pursue to destruction

anyone who gets in its way, while chanting its mantra that all evil and violence are men's, and that all goodness, virtue, and truth are women's. This week, it is driving an attack on Mr. Justice John Wesley McClung of the Alberta Court of Appeal.

Honourable senators, the political divide on the bench between the activist judges — some charter, some feminists — and the traditionalist judges, supported by their corollary divide at the bar, has erupted into public consciousness with the force that attends the eruption of a longstanding, fomenting social problem. I speak of the Supreme Court of Canada judgment delivered on February 25, 1999 in the case of *Regina v. Steve Brian Ewanchuk*, in particular, Madame Justice Claire L'Heureux-Dubé's concurring reasons for judgment and her stinging attack on Mr. Justice John Wesley McClung, and his distraught letter to the *National Post*.

Mr. Justice McClung is a scholar of the law, a great jurist, and a great luminary of the bench of Canada. He has upheld the law as an instrument of justice. He has upheld parliamentary institutions as the givers of the law and public policy, and has declined to join the current judicial activism and certain judges' unashamed and unabashed entry into politics. He is *persona non grata* with the judicial, charter, and feminist activists.

The Supreme Court's Madame Justice Claire L'Heureux-Dubé is well known as a feminist judge.

●(1540)

About judicial activism and its consequences, Professor Diane Martin of Osgoode Hall Law School, in an April 18, 1998 *Globe and Mail* article, entitled "Lawyer says top court deserves tough criticism," said:

Children and women are treated as truth tellers for the purposes of their claims...

A trial is not a determination of what happened anymore. The presumption of innocence has taken a major hit over the last 15 years under the guise of offering protection to vulnerable witnesses.

Sexual assault trials are a case in point.

Honourable senators, these two justices, McClung and L'Heureux-Dubé, have dominated news reports this week. Shortly after his first letter, Mr. Justice McClung apologized profoundly and generously to Madame Justice L'Heureux-Dubé for his hasty letter. This apology was published on March 2 in the newspapers. "Off with his head," shriek his critics, many gender feminists and their supporters, as they polarize and mobilize citizens to Madame Justice L'Heureux-Dubé's side. "Complain to the Judicial Council," and "Remove him," shriek others. The public has no appetite for gender feminist injustice and the public discussion is revealing this. Criminal lawyer Edward Greenspan's op-ed entitled, "Judges have no right to be bullies," in the *National Post* of March 2 stated, at page A18:

The profound reaction of the legal community, lining up on Judge L'Heureux-Dubé's side and ignoring the fact that her hurtful and thoroughly unnecessary words started the battle, is a striking example of how politics has taken over the issues surrounding sexual assault. It is clear that the feminist influence has amounted to intimidation, posing a potential danger to the independence of the judiciary. I deplore any attempt to use the Canadian Judicial Council as an agent of the women's movement, through the filing of complaints against judges whose remarks do not accord with the feminist world view. Feminists have entrenched their ideology in the Supreme Court of Canada and have put all contrary views beyond the pale.... But to call for Judge McClung's removal or censure means the feminists and their fellow travellers have created such a repressive and authoritarian world that certain words are not only unacceptable, but now constitute misconduct. The feminist perspective has hi-jacked the Supreme Court of Canada and now feminists want to throw off the bench anyone who disagrees with them...

Judge L'Heureux-Dubé was hell-bent on re-educating Judge McClung, bullying and coercing him into looking at everything from her point of view.

Honourable senators, as members of Parliament, we have a special role in the superintendence of the behaviour of judges and a representative role in upholding the public interest in this. I believe that radical judicial activism is a serious threat to parliamentary sovereignty and its corollary, judicial independence. Judicial independence, which I strongly support, is a constitutional convention that governs the proper relationship between the cabinet, Parliament, and the judiciary. Constitutional conventions are political rules of political conduct that govern the politician's exercise of power. Conventions are not law and are not enforceable by the courts. They are a political morality and are enforced by politics, politicians and political process. In respect of Mr. Justice McClung's letter to the newspaper, I must assert and support the traditional principle that public statements on public issues are inappropriate for judges.

Honourable senators, last August 23, 1998, at the Canadian Bar Association's annual meeting in Newfoundland, Supreme Court Chief Justice Antonio Lamer made some well-publicized political and public statements condemning judge-bashing and also about judges' need to speak publicly. He asked the Judicial Council, of which he is the chairman, to address the issue. Chief Justice Lamer makes such public political statements regularly. For example, in his CPAC television interview on December 9, 1996, he criticized the Senate's actions to change Bill C-42, which he called the "Louise Arbour amendment." A few days prior, the Senate had rejected, nay defeated, Chief Justice Lamer's own will and intentions about Canadian judges' international activities and their remuneration. He said:

...I was a little disappointed... when the Senate amended this Arbour amendment.

I was a little disappointed, but I found another way, and I'll be going to have lunch today with Madame Huguette Labelle, the head of CIDA, then I think we're going to go through CIDA. Well, where there's a will, there's a way.

I'm speaking to Madame Labelle, as I said, I'm having lunch with her today, then I will be speaking to the Commissioner of Judicial Affairs Friday. I'll have lunch with him Friday and I think we'll get the ball rolling very soon.

Again, in an August 29, 1997 article, "Canada's new global role: 'Juges sans frontières'," when *Lawyers Weekly* asked Chief Justice Lamer about the senators' objections to Canadian judges' off-the-bench foreign activities in Bill C-42, he said, at page 2:

I don't think that criticism was valid, and I don't think that most members of the Senate agreed with that criticism...

So much for Parliament's will and Parliament's unanimous vote.

Honourable senators, the Chief Justice is quoted frequently on many public policy and political issues, including bills in Parliament, Senate work, abolition of the Royal Assent ceremony, and other questions. In fact, the Supreme Court's Chief Justice Lamer has led on judges' public statements in the media and on public statements about judge-bashing. No judge can now assert that Justice McClung should not have spoken in the media nor that Justice McClung should not speak publicly against judge-bashing. Further, those who assert that Justice McClung should be investigated by the Judicial Council, of which Chief Justice Lamer is the chairman, fail to note that the Supreme Court and its judges have led in this activity. The Judicial Council, or rather the sections of the Judges Act that create the Judicial Council, need Parliament's review and change. These provisions predate the Charter of Rights. I muse as to why the Supreme Court has not struck down those sections on the grounds that they predate Charter values. Those sections, enacted in the 1970s, never anticipated these current problems, nor the courts' own Charter activism. It is evident that the Judicial Council is not competent to investigate any judge, particularly Mr. Justice McClung, because of politics itself on the bench and the now very political nature of the Supreme Court. The notion of investigation of a judge solely by judges is quaint, but is rendered obsolete by the politicization of the court by its own political activism and by the judges' own political and ideological clashes on the bench during decisions.

Honourable senators, the issue was an appeal in the case of *R. v. Steve Brian Ewanichuk*. In Canada, an accused has the right to a fair trial and a fair judgement, uncluttered and unaffected by conflict between individual judges, between levels of judges or between regions of Canada's judges. That duty owed to an



accused is the first and highest duty of the court. In any appeal, a first principle is that appeal justices, in reviewing the lower court judges' work, must limit themselves to the law, particularly errors in the law, and not offend nor attack their integrity, intention or intellect.

About Madame Justice L'Heureux-Dubé, Mr. Greenspan wrote in his article that:

She tagged him with a label that she has not right to tag him with. She was intemperate, showed a lack of balance, and a terrible lack of judgment.

I would live by a rule that when a judge overrules, it is wrong to also pour salt in the wound or step on the lower court judge's face.

Another principle of adjudication holds that, at appeal, lower court decisions are overturned cautiously and only with reference to law, because lower court judges are in the field, so to speak — in this instance, in Alberta — and are considered closer to the community and the facts.

Honourable senators, I move now to judge-bashing, that subject raised so publicly by Chief Justice Lamer last summer, in particular, judge-bashing of judges by judges and particularly of traditionalist judges by activist judges. Mr. Justice McClung was very insulted by Madame Justice L'Heureux-Dubé's negative statements about him in her reasons for judgment. He felt denigrated intellectually and professionally. He felt judge-bashed. He responded impetuously. In his letter, he unfortunately mused about the men driven to suicide by maltreatment in the courts by feminist or otherwise doctrinaire judges, an important social question. He had no knowledge of Justice L'Heureux-Dubé's personal tragedy of her own husband's suicide. To attribute such malicious motive to him is an act of mean-spiritedness. Some have found it expedient to do so, ignoring the personal fact that his own father, Nellie McClung's son, had also committed suicide.

•(1550)

His distraught, impetuous letter reveals his own feelings of violation, intellectually and morally, by a fellow judge in an activist higher court which had trampled on him and his decisions before. His are genuine feelings of hurt. However, they are not permitted to judges, or, rather, the feelings are permitted but are not allowed public action in newspapers. Is his grievance a real grievance? If so, in which court does corrective action rest? Where does a remedy rest for his grievance from her excess, or must he simply bear it and endure it like a man? The issue turns on these questions. What is the judicial remedy for excess or abuse from one judge to another or from one court to another? What are the consequences for justice itself and for the accused, the recipient of the said judgment?

Honourable senators, I turn now to Madame Justice L'Heureux-Dubé and her reasons for judgment which denigrated

Justice McClung and provoked his letter. Her statements stung Justice McClung and the majority of the Alberta Court of Appeal. They are instructive of sexual assault cases currently. She states, at paragraph 82:

This case is not about consent, since none was given. It is about myths and stereotypes, which have been identified by many authors...

Later, at paragraph 95, she states:

...they should not be permitted to resurface through the stereotypes reflected in the reasons of the majority of the Court of Appeal. It is part of the role of this Court to denounce this kind of language...

Honourable senators, it is not the role of the Supreme Court of Canada to denounce any judge of this land. A judge holds office by commission from Her Majesty. Any censure of a judge is the business of the Sovereign or of Parliament. Madame Justice L'Heureux-Dubé cites little law save her own judgements, and relies on Catharine MacKinnon's *Toward a Feminist Theory of the State* and other similar American texts. She also relies on former Supreme Court Justice Bertha Wilson's speech *Will Women Judges Really Make a Difference?*, published in the *Osgoode Hall Law Journal*, Volume 28, which speech in turn relied on gender feminist Carol Gilligan's book *In a Different Voice* that explained male and female morality and concluded the moral superiority of females. Bertha Wilson said, at page 520:

Gilligan's work on conceptions of morality among adults suggests that women's ethical sense is significantly different from men's....Women see moral problems as arising from competing obligations, the one to the other; the important thing is to preserve relationships to develop an ethic of caring.

Honourable senators, morality, ethics, and altruism are not gendered characteristics. Such propositions by Carol Gilligan and Catharine MacKinnon should be roundly condemned as the intellectual fraudulence that they are and should be shown to be unsupported by scientific research. Finally, in sexual assault cases today, consent is a state of mind of the complainant verified only by her testimony. Justice McClung felt violated. Perhaps his state of mind on reading Justice L'Heureux-Dubé's reasons should receive some attention, as should the state of mind of the accused. Perhaps the state of mind of the nation ought to be considered. The public mind has witnessed this spectacle all week and has pondered the consequences for justice itself, as in this judgement, and the meaning of the words, placing the administration of justice itself in disrepute. So much for the slogan "leave it to the courts." For myself, this has been a profound reaffirmation in the sovereignty of Parliament. The question now emerging in the public and in the accused's mind is that perhaps the judgement, and the imposed conviction by the Supreme Court, may now be impugned or put in question. It may even be corrupted in the parliamentary sense, as a corrupt proceeding.



**The Hon. the Acting Speaker:** I regret to inform the honourable senator that her time has expired.

**Senator Cools:** Honourable senators, might I have leave to finish? I am just about at the end.

**The Hon. the Acting Speaker:** Is leave granted?

**Hon. Senators:** Agreed.

**Senator Cools:** It may need to be ousted by Parliament, the Highest Court of the Land. However, it is clear that the Judicial Council is not competent to process complaints against Justice McClung because the essence of such investigation is the proper relationship between the two levels of court and the proper behaviour of Supreme Court judges to lower court judges from the regions of Canada. Such an investigation would require a review of the Court of Appeal judgment and a review of the Supreme Court judgment. The Judicial Council is chaired by the Supreme Court's Chief Justice. No court can review its own judgment. Further, Chief Justice Lamer is the leader of public statements against judge-bashing, unless of course he intended to exempt the Supreme Court of Canada's own judge-bashing of other courts' judges. What are the rules, and who makes them? The Judicial Council lacks legal authority to hear such complaints. The only competent court is Parliament, the highest court of the land.

Honourable senators, watching this exchange and the discussion in the newspapers, I feel very proud to know that we live in a country that still upholds, at least in theory, the concept of the sovereignty of Parliament.

**Hon. Jeremiah S. Grafstein:** Would the honourable senator allow a question?

**Senator Cools:** Certainly.

**Senator Grafstein:** I first wish to commend Senator Cools for this fascinating investigation in the very grey area of surveillance and accountability and where one draws the lines.

Is the Judicial Council not the short answer to her search for a remedy? Mr. Justice McClung, rather than sending his intemperate letter, could have, in the normal course, sent a letter of complaint to the Judicial Council. The Judicial Council being seized of the matter, I think, would be appropriate, and I do not think Senator Cools argues with that. She does question whether that proceeding would be tainted by a conflict since it would be chaired, in effect, by the Chief Justice. Would it not be the appropriate role for the Chief Justice, having received such a complaint, to excuse himself and allow the Judicial Council to be constituted of judges who were completely independent of the matter and free of any possible allegations or complaints? Let the matter be dealt with that way, as opposed to an open forum here in Parliament.

I put that as a suggestion. This is a fascinating and puzzling question that I think should be resolved.

**Senator Cools:** Thank you for the question. I am happy to receive it.

First, I am not making any proposal. I am simply calling the attention of the chamber to the fact that this debate is raging in the public domain. I thought it would be useful and informative to put some of it on the record. Let us be quite clear that I am not at this moment making a proposal. Neither is this my last speech on the subject-matter.

I am speaking to more than just the issue of a person. There is a set of principles here in terms of the proper relationships between courts and judges. I have begun to review, again, the debates, the discussion and the thinking that created the Judicial Council. I can tell you that, at the time the Judicial Council was created, it did not anticipate these kinds of difficulties of today's judicial community. The problem is virtually unknown. I am not sure if it is totally unknown or whether this is the first time that it has flown into the public consciousness.

I would refer to Eddie Greenspan's article, the one I cited just a few moments ago. He made an interesting remark. He said something to the effect that frequently in courts many litigants and lawyers are subjected to insulting or inappropriate remarks from judges. That is fine. In that instance, those kind of complaints are properly put before the Judicial Council. However, I am going to a deeper principle.

What we are looking at here — because it is such new ground — is that the possibility exists that the preoccupation may have caused the judgment itself to be placed at risk. I am not suggesting that I have an answer. I am merely raising that question. As the debate continues in the public mind — and, if one is following the newspapers and reading them daily, one can see it unfold almost like an onion — this issue is not a personal matter. We are talking about a judgment of the court which was the final court of appeal on the matter and statements contained within it that have caused terrible offence. I am saying that it is time for us to bring the discussion into the cognizance of Parliament and to begin to answer these questions.

•(1600)

I have been watching and listening all week as some of the legal minds in the country have been grappling with this issue. In the long run, the real question and the real issue that they will have to address is that, at the end of the day, the only court that has authority to review everything is this court, the highest court of the land. That is all that I am reminding people.

I have received dozens of phone calls on these issues. We are now living in a community where the average citizen of this land no longer understands that Parliament is the highest court of the land. That is what I am trying to reassert in very clear terms.

These statements are recurring. I have endless judgments here. There is another judge, Mr. Justice George Finlayson of the Ontario Court of Appeal, who has been making similar statements. These headlines are raging across this country. In

*The Toronto Star* on October 14, 1998, the headline read, "Accused need protection in sexual assault cases: judge." The appeals court judge went on to say that too many allegations were sponsored by ulterior motives. The judge himself is making these kinds of statements.

I am attempting to tell you that there are many, many issues here. Remember that I have only given one speech and I have tried to put out a cameo approach to many of the issues. I have carefully avoided the substance of the case itself and the merits and the facts of the case because I want senators to look at the wider principles. The point that I am making is that these issues are commanding Parliament's attention. One cannot sit here as a senator and be silent on these questions while the debate is raging out there in the public domain and while every talk show in the land is talking about it.

In addition, honourable senators, it is a dangerous situation in a country when you have an altercation between two judges or some judges, and the public is polarizing on one side or the other.

I am trying to say: Let us begin to bring this more and more into our cognizance. Senator Grafstein, I suspect that the reason you asked the question is that you have an answer, because you are a very smart lawyer and you never ask questions unless you already have the answers to them.

**Senator Grafstein:** Honourable senators, I did not mean to provoke a debate. I will undertake to take the adjournment in my name and I will try to answer my own question because I do not think the honourable senator's answers have been responsive.

**Senator Cools:** The honourable senator has raised profound questions. These questions are now coming forward and the truth of the matter is that many have no answers. That is what I am trying to say.

**Hon. Noël A. Kinsella, (Acting Deputy Leader of the Opposition):** Honourable senators, the custom here is that we hold off on further questions of the speaker. I should like to have some questions raised for clarification.

In the preamble, Senator Cools used the terminology "feminism" and "feminist judge." I wrote down the phrase that, "feminists have entrenched their ideology in the Supreme Court and have hijacked the Supreme Court."

To help me understand the honourable senator's thesis, could she provide me with a definition of "feminism"?

**Senator Cools:** Honourable senators, if I knew what it was, I would be happy to tell the honourable senator. I only use the descriptors that people use themselves. I can tell you that when I use that term, I try to be specific. I try to differentiate between when I use the term as gender feminist and equity feminist. I would describe myself personally, for example, as an equity feminist. I would say to you that I sincerely believe that all women are equal and that women should have every opportunity

that is available. That is why I introduced the word "gynocentric."

However, honourable senators, one could take the other view. I happen to have in my hands an article from *The Toronto Star*, February 17, 1992, the headline reads: "U.S. Feminist applauds Canada's rape-law plan." Here, again, there is an interview in *The Toronto Star* where Catharine MacKinnon said:

"In the context of unequal power (between the sexes), one needs to think about the meaning of consent — whether it is a meaningful concept at all," MacKinnon, 44, said in an interview from the federally funded Women's Legal Education and Action Fund (LEAF) symposium in Ottawa.

I am trying to tell you that I do not believe that these terms are commonly understood anymore. I am sure that they are no longer widely agreed upon and, obviously, some debate is very necessary. I can tell you, honourable senators, that I sincerely believe very strongly in the independence of women. I pride myself as being one. However, ideology and law do not mix very well. That is my point.

When certain persons make assumptions about human relationships and couch them in ideological terms, that is where I come into conflict or variance with them.

The second statement that Senator Kinsella asked about concerned the entrenchment of feminism in the Supreme Court. Those were the words of Mr. Greenspan. As I am sure the honourable senator knows, Mr. Greenspan is one of the preeminent criminal lawyers in the country. The reason that I brought that to us today is to show the debate as it is occurring in every newspaper and on every radio program across the land. Something is happening out there.

**Senator Kinsella:** Honourable senators, I only knew of this debate as the proceedings began this afternoon. There has been no setting up of questions. However, the responses we receive from Senator Cools simply demonstrates how well-researched her material is.

I will ask the question a different way. The honourable senator tells us that that statement comes from Mr. Greenspan. We are to understand that feminism "has entrenched its ideology in the Supreme Court." Is that a good thing or a bad thing?

**Senator Cools:** I see life more the way Mr. Greenspan sees life. We have inherited a splendid system and set of principles that were the jewel of the world, namely, parliamentary democracy, responsible government and independence of the judiciary.

•(1610)

We should stay on our ground as politicians and parliamentarians, they should stay on their ground as judges.



**Senator Prud'homme:** Hear, hear!

**Senator Cools:** We decide issues of public policy and they decide issues of law. That is the fine system that I love and I will defend. I view myself as a soldier of Parliament.

On the other question of women, I feel very strongly that women have so much to contribute and that women deserve every freedom that any man has ever had. Quite frankly, in life I have insisted on taking them. I pride myself and I thank God for my own parents and I thank God for my own mother. When I was a child she told me that I should be an independent spirit. She used to call me Peter and she would say to me, "Pete, if you see the herd running that way, stop, the herd is usually wrong. Never join the herd."

All I am trying to say, Senator Kinsella, and I have raised these questions many times, is that there is something very wrong going on in this country and there are many issues that are needing attention and there are certain issues that are needing correction. Let us look at them because I tell you, the hundreds and thousands of people whose lives are being destroyed daily is so obvious that I do not understand how it does not just hit everyone.

Mr. Justice McClung was wrong, I believe, in writing his letter. I believe that judges should not do that. However, I must deal with the fact that every single day, when I open up the newspaper, I see another headline of this or that judge making this or that pronouncement. Therefore, I wish to know why the rules apply here and not there. Is there a rule for the goose and another for the gander? The public mind is aware that there is something very wrong and they are looking for leadership. To my mind, on issues of public policy, Parliament should lead. If we do not bring these issues into our cognizance, the agitation in the public mind will reach a stage of being unmanageable. I put that to you.

Gender feminist ideology, I repudiate. I repudiate it strongly, I repudiate it as strenuously as ever I can. Imperfection lives in human beings. I do not know about any of you, but I am a sinner. I do not know about any of you, but I am deeply flawed. As far as I am concerned, morality and ethics and altruism are human characteristics that must be worked hard at to achieve. One just does not arrive at them or have them endowed because of one's gender. That is all.

**Senator Kinsella:** I am wondering whether the honourable senator would help me in this regard: In the various branches of our system of governance, we have a fairly developed set of rules that govern our debate and that might reflect upon members of the other place, as they too have traditions and regulations on issues coming up in that place affecting this house. Therefore, if we engage in this type of debate, what are the rules of propriety, or vanity or good order, that would help to define the parameters within which our debate would take place, particularly if the debate is focusing on the judiciary whose members do not reside in this chamber, obviously, and cannot, therefore, participate in the debate? In particular, what if individual members of the

judicial branch are identified, *ex officio* or, indeed, individually or personally.

Therefore, I am curious, and thus my question to Senator Cools is: How can we engage in this debate in such a manner that the level of urbanity or the level of propriety is maintained so that we are not seen to be in any way diminishing the place of the judiciary in our system? This is very important.

Some might read the proceedings of this debate this afternoon and come to the conclusion, somehow, that the Senate of Canada is judge-bashing. I believe that phrase was used by Senator Cools. If there is a serious socio-political issue before us, we must define the parameters in which the kind of debate that Senator Cools referred to can be conducted so that we are not diminishing in any manner an important branch of our government, namely, the judiciary.

**Senator Cools:** Honourable senators, there are two things I should like to say. As far as I am concerned, we currently have an excellent system of rules which govern the rubrics and the processes by which Parliament should conduct itself. For example, my speech today was perfectly consonant with the rules that govern how we talk about judges and how we talk about protected persons and so on and so forth. Therefore, I would submit to you that we have a history and we have a process. All we need to do is reach out and use it.

Second, and I am not mentioning anyone by name, anything that diminishes one part of the system I sincerely believe diminishes the other part. Any time that we receive attacks or assaults or statements that diminish the Senate, I would add to you, those same statements at one and the same time diminish the House of Commons. I know it is not so popular these days but it also diminishes Her Majesty the Queen. I could continue.

One of the sad absences in our community today is that we are seeing very little reaffirmation, renewal and upholding of a set of principles and a set of concepts that have served us well. Let us understand clearly, it would take an act of mischief, an act of imagination and fiction, and it is possible that all three of those could be combined, to believe that any mere discussion that we are having today is any attempt at judge-bashing.

I belong to the old school. I would be very reluctant to even vote in this chamber to remove a judge because I think it is such an enormous and onerous thing, it is something to be undertaken rarely. That is why it has been undertaken very rarely. That is the purpose of onerous powers. They are to be exercised only under very certain conditions. I view myself as a defender of the independence of judges.

We have the rules. We must never diminish them.

Finally, I should just like to quote to you from Mr. Justice Lamer's speech to the Canadian Bar Association, August 23 1998, in St. John's, Newfoundland. He was talking about judicial silence and he says:



But lately I have begun to wonder whether that tradition of silence continues to be appropriate. And my main concern is not for judges who are criticized in the press or by public figures. Rather, it seems to me that judicial silence sometimes means that the public misses out on a full understanding of what the courts are doing and why. Public debate on issues that come before the courts and, indeed, on the role of the judiciary itself is not as full as it should be because the perspective of the judiciary is usually absent.

This is the bench speaking. As far as I am concerned, this is what the judiciary is saying. They are saying that they want more of a role, as I understand this, in public debate. Being a politician and a full-blooded one, and I would add an able-bodied one, I do not see why I should shy from debate if they do not.

On motion of Senator Carstairs, for Senator Grafstein, debate adjourned.

[Translation]

### QUESTION OF PRIVILEGE

**Hon. Marcel Prud'homme:** Honourable senators, I wish to take this opportunity to raise the question of privilege. Rule 59 of

the *Rules of the Senate* states that notice is not required for raising the question of privilege. However, I wish to give notice that I will do so next week.

This is the first opportunity I have had to speak with respect to the tabling today of the eighth report of the Standing Committee on Privileges, Standing Rules and Orders. As independent senators, and there are five of us now, we feel affected by the tabling of this report, which does not reflect exactly what went on in committee. I know that I will be told that what goes on in committee is not a concern of the Senate. I will come back to this matter in greater detail next week. I have serious doubts as to whether a committee can reconsider a decision it has already taken. The committee decided not to go ahead with the issue of independent senators. I am not blaming the chair of the committee, on the contrary. I will have more to say next week. Independent senators have been ignored today with the tabling of this report. A decision had been taken and now there is a desire to reconsider it in committee. This, I feel, is contrary to the *Rules of the Senate* and an insult to the integrity of the senators here today who wish to take part in the proceedings. I repeat, I will raise the question of privilege. I will not elaborate any further today.

The Senate adjourned until Tuesday, March 9, 1999, at 2 p.m.



**THE SENATE OF CANADA**  
**PROGRESS OF LEGISLATION**  
**(1st Session, 36th Parliament)**  
**Thursday, March 4, 1999**

**GOVERNMENT BILLS**  
**(SENATE)**

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
S-2	An Act to amend the Canadian Transportation Accident Investigation and Safety Board Act and to make a consequential amendment to another Act (Sen. Graham)	97/09/30	97/10/21	Transport and Communications	98/04/02	four	98/05/27	98/06/18	20/98
S-3	An Act to amend the Pension Benefits Standards Act, 1985 and the Office of the Superintendent of Financial Institutions Act (Sen. Graham)	97/09/30	97/10/21	Banking, Trade and Commerce	97/11/05	seven	97/11/20	98/06/11	12/98
S-4	An Act to amend the Canada Shipping Act (maritime liability) (Sen. Graham)	97/10/08	97/10/22	Transport and Communications	97/12/12	three	97/12/16	98/05/12	06/98
S-5	An Act to amend the Canada Evidence Act and the Criminal Code in respect of persons with disabilities, to amend the Canadian Human Rights Act in respect of persons with disabilities and other matters and to make consequential amendments to other Acts (Sen. Graham)	97/10/09	97/10/29	Legal and Constitutional Affairs	97/12/04	one	97/12/11 Senate agreed to Commons amendments 98/05/06	98/05/12	09/98
S-9	An Act respecting depository bills and depository notes and to amend the Financial Administration Act (Sen. Graham)	97/12/03	97/12/12	Banking, Trade and Commerce	98/02/24	one	98/03/19	98/06/11	13/98
S-16	An Act to implement an agreement between Canada and the Socialist Republic of Vietnam, an agreement between Canada and the Republic of Croatia and a convention between Canada and the Republic of Chile, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income	98/05/05	98/05/12	Foreign Affairs	98/05/28	none	98/06/02	98/12/03	33/98
S-21	An Act respecting the corruption of foreign public officials and the implementation of the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, and to make related amendments to other Acts	98/12/01	98/12/03	Whole	98/12/03	one at 3rd	98/12/03	98/12/10	34/98
S-22	An Act authorizing the United States to pre-clear travellers and goods in Canada for entry into the United States for the purposes of customs, immigration, public health, food inspection and plant and animal health	98/12/01	99/02/11	Foreign Affairs					



S-23	An Act to amend the Carriage by Air Act to give effect to a Protocol to amend the Convention for the Unification of Certain Rules Relating to International Carriage by Air and to give effect to the Convention, Supplementary to the Warsaw Convention, for the Unification of Certain Rules Relating to International Carriage by Air Performed by a Person Other than the Contracting Carrier	98/12/10	99/02/03	Transport and Communications				
GOVERNMENT BILLS (HOUSE OF COMMONS)								
No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A. Chap.
C-2	An Act to establish the Canada Pension Plan Investment Board, and to amend the Canada Pension Plan and the Old Age Security Act and to make consequential amendments to other Acts	97/12/04	97/12/16	Committee of the whole 97/12/17	97/12/17	none	97/12/18	97/12/18 40/97
C-3	An Act respecting DNA identification and to make consequential amendments to the Criminal Code and other Acts	98/09/30	98/10/22	Legal and Constitutional Affairs	98/12/08	none	98/12/09	98/12/10 37/98
C-4	An Act to amend the Canadian Wheat Board Act and to make consequential amendments to other Acts	98/02/18	98/02/26	Agriculture and Forestry	98/05/14	five	98/05/14	98/06/11 17/98
C-5	An Act respecting cooperatives	97/12/09	97/12/16	Banking, Trade and Commerce	98/02/24	none	98/02/25	98/03/31 01/98
C-6	An Act to provide for an integrated system of land and water management in the Mackenzie Valley, to establish certain boards for that purpose and to make consequential amendments to other Acts	98/03/18	98/03/26	Aboriginal Peoples	98/06/09	none	98/06/18	98/06/18 25/98
C-7	An Act to establish the Saguenay-St. Lawrence Marine Park and to make a consequential amendment to another Act	97/11/25	97/12/02	Energy, Environment and Natural Resources	97/12/09	none	97/12/10	97/12/10 37/97
C-8	An Act respecting an accord between the Governments of Canada and the Yukon Territory relating to the administration and control of and legislative jurisdiction in respect of oil and gas	98/03/17	98/03/25	Aboriginal Peoples	98/03/31	none	98/04/01	98/05/12 05/98
C-9	An Act for making the system of Canadian ports competitive, efficient and commercially oriented, providing for the establishing of port authorities and the divesting of certain harbours and ports, for the commercialization of the St. Lawrence Seaway and ferry services and other matters related to maritime trade and transport and amending the Pilotage Act and amending and repealing other Acts as a consequence	97/12/09	98/03/26	Transport and Communications	98/05/13	none	98/05/28	98/06/11 10/98

C-10	An Act to implement a convention between Canada and Sweden, a convention between Canada and the Republic of Lithuania, a convention between Canada and the Republic of Kazakhstan, a convention between Canada and the Republic of Iceland and a convention between Canada and the Kingdom of Denmark for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and to amend the Canada-Netherlands Income Tax Convention Act, 1986 and the Canada-United States Tax Convention Act, 1984	97/12/02	97/12/08	Banking, Trade and Commerce	97/12/09	none	97/12/10	97/12/10	38/97
C-11	An Act respecting the imposition of duties of customs and other charges, to give effect to the International Convention on the Harmonized Commodity Description and Coding System, to provide relief against the imposition of certain duties of customs or other charges, to provide for other related matters and to amend or repeal certain Acts in consequence thereof.	97/11/19	97/11/27	Banking, Trade and Commerce	97/12/04	none	97/12/08	97/12/08	36/97
C-12	An Act to amend the Royal Canadian Mounted Police Superannuation Act	98/04/28	98/04/30	Social Affairs, Science & Technology	98/06/04	none	98/06/08	98/06/11	11/98
C-13	An Act to amend the Parliament of Canada Act	97/10/30	97/11/05	Legal and Constitutional Affairs	97/11/06	none	97/11/18	97/11/27	32/97
C-15	An Act to amend the Canada Shipping Act and to make consequential amendments to other Acts	98/05/05	98/06/03	Transport and Communications	98/06/10	none	98/06/11	98/06/11	16/98
C-16	An Act to amend the Criminal Code and the Interpretation Act (powers to arrest and enter dwellings)	97/11/18	97/12/11	Legal and Constitutional Affairs	97/12/16	none	97/12/17	97/12/18	39/97
C-17	An Act to amend the Telecommunications Act and the Telelobe Canada Reorganization and Divestiture Act	97/12/09	98/02/24	Transport and Communications	98/03/25	none	98/04/29	98/05/12	08/98
C-18	An Act to amend the Customs Act and the Criminal Code	98/02/10	98/02/18	Legal and Constitutional Affairs	98/04/02	none	98/04/28	98/05/12	07/98
C-19	An Act to amend the Canada Labour Code (Part I) and the Corporations and Labour Unions Returns Act and to make consequential amendments to other Acts	98/05/26	98/06/08	Social Affairs, Science & Technology	98/06/18	none	98/06/18	98/06/18	26/98
C-20	An Act to amend the Competition Act and to make consequential and related amendments to other Acts	98/09/24	98/11/17	Banking, Trade and Commerce	98/12/03	none + two at 3rd	98/12/10 Commons amendments referred to Committee 99/02/11		
C-21	An Act to amend the Small Business Loans Act	98/03/19	98/03/25	Banking, Trade and Commerce	99/02/16	concur in Commons amendments	98/03/31	98/03/31	04/98

C-22	An Act to Implement the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction	97/11/25	97/11/26	Foreign Affairs	97/11/27	none	97/11/27	97/11/27	33/97
C-23	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1998	97/11/26	97/12/04	—	—	—	97/12/08	97/12/08	35/97
C-24	An Act to provide for the resumption and continuation of postal services	97/12/02	97/12/03	Committee of the whole	97/12/03	none	97/12/03	97/12/03	34/97
C-25	An Act to amend the National Defence Act and to make consequential amendments to other Acts	98/06/11	98/06/18	Legal and Constitutional Affairs	98/11/24	one	98/12/01	98/12/10	35/98
C-26	An Act to amend the Canada Grain Act and the Agriculture and Agri-Food Administrative Monetary Penalties Act and to repeal the Grain Futures Act	98/06/08	98/06/16	Agriculture and Forestry	98/06/18	none	98/06/18	98/06/18	22/98
C-28	An Act to amend the Income Tax Act, the Income Tax Application Rules, the Bankruptcy and Insolvency Act, the Canada Pension Plan, the Children's Special Allowances Act, the Companies' Creditors Arrangement Act, the Cultural Property Export and Import Act, the Customs Act, the Customs Tariff, the Employment Insurance Act, the Excise Tax Act, the Federal-Provincial Fiscal Arrangements Act, the Income Tax Conventions Interpretation Act, the Old Age Security Act, the Tax Court of Canada Act, the Tax Rebate Discounting Act, the Unemployment Insurance Act, the Western Grain Transition Payments Act and certain Acts related to the Income Tax Act	98/04/28	98/05/12	Banking, Trade and Commerce	98/06/04	none	98/06/16	98/06/18	19/98
C-29	An Act to establish the Parks Canada Agency and to amend other Acts as a consequence	98/06/03	98/06/15	Energy, the Environment and Natural Resources	98/10/20	none	98/11/19	98/12/03	31/98
C-30	An Act respecting the powers of the Mi'kmaq of Nova Scotia in relation to education	98/06/11	98/06/16	Aboriginal Peoples	98/06/18	none	98/06/18	98/06/18	24/98
C-31	An Act respecting Canada Lands Surveyors	98/05/07	98/05/26	Energy, the Environment and Natural Resources	98/06/09	none	98/06/10	98/06/11	14/98
C-33	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1998	98/03/18	98/03/25	—	—	—	98/03/26	98/03/31	02/98
C-34	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1999	98/03/18	98/03/26	—	—	—	98/03/31	98/03/31	03/98
C-35	An Act to amend the Special Import Measures Act and the Canadian International Trade Tribunal Act	98/12/07	99/02/17	Foreign Affairs					
C-36	An Act to implement certain provisions of the budget tabled in Parliament on February 24, 1998	98/05/28	98/06/08	National Finance	98/06/15	none	98/06/17	98/06/18	21/98
C-37	An Act to amend the Judges Act and to make consequential amendments to other Acts	98/06/11	98/09/22	Legal and Constitutional Affairs	98/10/22	eight	98/11/04	98/11/18	30/98



C-38	An Act to amend the National Parks Act (creation of Tukituk Nogait National Park)	98/06/15	98/06/17	Energy, the Environment and Natural Resources	98/12/01	none	98/12/10	98/12/10	39/98
C-39	An Act to amend the Nunavut Act and the Constitution Act, 1867	98/06/03	98/06/08	Aboriginal Peoples	98/06/09	none	98/06/10	98/06/11	15/98
C-40	An Act respecting extradition, to amend the Canada Evidence Act, the Criminal Code, the Immigration Act and the Mutual Legal Assistance in Criminal Matters Act and to amend and repeal other Acts in consequence	98/12/02	98/12/10	Legal and Constitutional Affairs					
C-41	An Act to amend the Royal Canadian Mint Act and the Currency Act	98/12/02	98/12/09	National Finance	99/02/18	none	99/03/02		
C-42	An Act to amend the Tobacco Act	98/12/02	98/12/08	Legal and Constitutional Affairs	98/12/10	none	98/12/10	98/12/10	38/98
C-43	An Act to establish the Canada Customs and Revenue Agency and to amend and repeal other Acts as a consequence	98/12/08	99/02/10	National Finance					
C-45	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1999	98/06/10	98/06/16	—	—	—	98/06/17	98/06/18	28/98
C-46	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1999	98/06/10	98/06/16	—	—	—	98/06/17	98/06/18	29/98
C-47	An Act to amend the Parliament of Canada Act the Members of Parliament Retiring Allowances Act and the Salaries Act	98/06/11	98/06/16	Banking, Trade and Commerce	98/06/17	none	98/06/18	98/06/18	23/98
C-51	An Act to amend the Criminal Code, the Controlled Drugs and Substances Act and the Corrections and Conditional Release Act	98/11/18	98/12/03	Legal and Constitutional Affairs	99/03/04	none			
C-52	An Act to implement the Comprehensive Nuclear Test-Ban Treaty	98/10/20	98/10/28	Foreign Affairs	98/11/18	one	98/11/24	98/12/03	32/98
C-53	An Act to increase the availability of financing for the establishment, expansion, modernization and improvement of small businesses	98/11/25	98/12/02	Banking, Trade and Commerce	98/12/08	none	98/12/09	98/12/10	36/98
C-57	An Act to amend the Nunavut Act with respect to the Nunavut Court of Justice and to amend other Acts in consequence	98/12/07	98/12/10	Legal and Constitutional Affairs	99/02/18	none	99/03/02		
C-58	An Act to amend the Railway Safety Act and to make a consequential amendment to another Act	99/02/02	99/02/11	Transport and Communications					
C-59	An Act to amend the Insurance Companies Act	98/12/10	99/02/04	Banking, Trade and Commerce	99/02/16	none	99/02/18		
C-60	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1999	98/12/02	98/12/08	—	—	—	98/12/09	98/12/10	40/98

## COMMONS PUBLIC BILLS

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
C-208	An Act to amend the Access to Information Act	98/11/17	99/02/11	Social Affairs, Science & Technology					
C-220	An Act to amend the Criminal Code and the Copyright Act (profit from authorship respecting a crime) (Sen. Lewis)	97/10/02	97/10/22	Legal and Constitutional Affairs	98/06/10 adopted	recommend Bill not proceed			
C-410	An Act to change the name of certain electoral districts	98/05/28	98/06/04	Legal and Constitutional Affairs	98/06/08	two	98/06/09	98/06/18	27/98
C-411	An Act to amend the Canada Elections Act	98/05/28	98/06/04	Legal and Constitutional Affairs	98/06/08	none	98/06/09	98/06/11	18/98
C-445	An Act to change the name of the electoral district of Stormont-Dundas	98/12/07	98/12/09	Legal and Constitutional Affairs	99/02/04	none	99/02/11		
C-464	An Act to change the name of the electoral district of Sackville-Eastern Shore	98/12/07	98/12/09	Legal and Constitutional Affairs	99/02/04	none	99/02/11		
C-465	An Act to change the name of the electoral district of Argenteuil-Papineau	98/12/07	98/12/09	Legal and Constitutional Affairs	99/02/04	none	99/02/09		

## SENATE PUBLIC BILLS

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
S-6	An Act to establish a National Historic Park to commemorate the "Persons Case" (Sen. Kenny)	97/11/05	97/11/25	Energy, the Environment and Natural Resources					
S-7	An Act to amend the Criminal Code to prohibit coercion in medical procedures that offend a person's religion or belief that human life is inviolable (Sen. Haidasz, P.C.)	97/11/19	97/12/02	Legal and Constitutional Affairs					
S-8	An Act to amend the Tobacco Act (content regulation) (Sen. Haidasz, P.C.)	97/11/26	97/12/17	Social Affairs, Science & Technology	98/04/30	two	Dropped from Order Paper pursuant to Rule 27(3) 98/10/01		
S-10	An Act to amend the Excise Tax Act (Sen. Di Nino)	97/12/03	98/03/19	Social Affairs, Science & Technology	98/06/03	none	referred back to Committee 98/09/24		
S-11	An Act to amend the Canadian Human Rights Act in order to add social condition as a prohibited ground of discrimination (Sen. Cohen)	97/12/10	98/03/17	Legal and Constitutional Affairs	98/12/09	one			
S-12	An Act to amend the Criminal Code (abuse of process) (Sen. Coolis)	98/02/10	98/05/06	Legal and Constitutional Affairs	98/06/04	one	98/06/09		
S-13	An Act to incorporate and to establish an industry levy to provide for the Canadian Anti-Smoking Youth Foundation (Sen. Kenny)	98/02/26	98/04/02	Social Affairs, Science & Technology	98/05/14	seven + two at 3rd	98/06/10	Bill withdrawn pursuant to Commons Speaker's Ruling 98/12/02	
S-14	An Act providing for self-government by the first nations of Canada (Sen. Tkachuk)	98/03/25	98/03/31	Aboriginal Peoples					

S-15	An Act respecting the declaration of royal assent by the Governor General in the Queen's name to bills passed by the Houses of Parliament (Sen. Lynch-Staunton)	98/04/02	98/06/09	Legal and Constitutional Affairs	98/06/18 report withdrawn 98/12/08	four	Bill withdrawn 98/12/08
S-17	An Act to amend the Criminal Code respecting criminal harassment and other related matters (Sen. Oliver)	98/05/12	98/06/02	Legal and Constitutional Affairs			
S-19	An Act to give further recognition to the war-time service of Canadian merchant navy veterans and to provide for their fair and equitable treatment (Sen. Forrestall)	98/06/18					
S-24	An Act to provide for judicial preauthorization of requests to be made to a foreign or international authority or organization for a search or seizure outside Canada (Sen. Beaudoin)	99/03/03					

PRIVATE BILLS

S-18	An Act respecting the Alliance of Manufacturers & Exporters Canada (Sen. Kelleher, P.C.)	98/06/17	Dropped from Order Paper pursuant to Rule 27(3) 98/11/17				
S-20	An Act to amend the Act of incorporation of the Roman Catholic Episcopal Corporation of Mackenzie (Sen. Taylor)	98/09/23	98/10/29	Social Affairs, Science & Technology	98/12/03	three	98/12/09
S-25	An Act respecting the Certified General Accountants Association of Canada (Sen. Kirby)	99/03/04					





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# Debates of the Senate

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• NUMBER 117

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OFFICIAL REPORT  
(HANSARD)

**Tuesday, March 9, 1999**

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THE HONOURABLE GILDAS L. MOLGAT  
SPEAKER



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(Daily index of proceedings appears at back of this issue.)

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## THE SENATE

Tuesday, March 9, 1999

The Senate met at 2:00 p.m., the Speaker in the Chair.

Prayers.

### THE LATE HONOURABLE WILLIAM J. PETTEN

#### TRIBUTES

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, on March 31, 1949 — 50 years ago this month — the wonderful Island of Newfoundland became the tenth province in the Canadian federation. In the hard-fought campaign to bring Newfoundland into Confederation, thus completing our one great nationality from sea to sea, a young man of 26 years of age drove a pickup truck which was the rough campaign platform for Prime Minister Louis St. Laurent and then premier Joey Smallwood. A photograph of this proud young man — a photograph which hung in Bill Petten's office over the duration of his 30 years of service to this chamber — was Bill's special treasure.

The recent very sad and unexpected passing of Senator Petten leaves all of us with memories of a kind and gentle spirit. We think of famous words that tell us that an honest man is the noblest work of God, and "the Whipper," as I always knew him, was all of that.

In his 17 years as a whip in this chamber, Bill Petten served two terms as the government whip and another two terms as the opposition whip. He understood and practised some of the finest human notions of what real leadership means. He knew that to get others to come to one's way of thinking, you often had to go over to theirs. He knew that it was often necessary to follow in order to lead. With those fundamental truths about leadership solidly espoused, Senator Petten marshalled the forces of the party for division and maintained discipline amongst the rank and file.

Bill always used jokes and gentle persuasion, relying on his inevitable good sense and enormous patience to get the job done. He always tried to get along with "the folks," as he so often put it. In doing so, Senator Petten contributed immeasurably to the efficiency with which the Senate did its work.

●(1410)

Bill Petten served well, whether as acting Deputy Leader of the Government in the Senate or as a member of the Standing Committee on Internal Economy, Budgets and Administration, on the Special Joint Committee on the Constitution of Canada, or on the Standing Senate Committee on Fisheries, for which he worked so long on behalf of Newfoundland fishers and their

communities. Bill brought all his dedication and humanity and warmth to the Senate of Canada.

As a committed member of the Canadian Parliamentary Association for over 25 years, Senator Petten led Canadian delegations around the world, bringing his special sense of justice and tolerance to the international community at large.

Fifty years ago, Bill Petten became a Canadian by choice. At the time, he was, like many proud Newfoundlanders who said yes to Canada, a citizen of a small but significant nation in its own right whose people were descendants of Europe's boldest seamen. Yes, in 1949, they became citizens of a country whose intellectual underpinnings were based on service to the public good. They became part of an ongoing national process of balanced equality, a special Canadian ideal of equality which was all about freedom, a freedom tempered by a deep desire for justice. They joined this humanist, decent society which generations of fine public servants have served with honour and with principle, with integrity and with honesty.

Bill Petten, who became a Canadian by choice, was that kind of a public servant. Bill Petten was that kind of a man. Bill Petten was that kind of a friend. While he spent his public life in the service of his chosen country, he remained always a true Newfoundlander, dedicated to the people of that land of special magic, a magic about survival and strength and magnificent beauty, a land of countrymen who shared a courageous past.

The beautiful *Ode to Newfoundland* captures the magic of:

This place of pine-clad hills, this smiling land,  
As loved our fathers, so we love...  
Their prayer we raise to heav'n above,  
God guard thee, Newfoundland...

May God guard thee, Bill Petten. May God guard the spirit of one of the noblest and most gentle spirits ever to grace this chamber and a dear old friend and colleague whom we will certainly miss.

To his wonderful wife and constant companion, Bernice, and their children, Sherry, Robin, Billy and Raylene, we extend an expression of the deepest and most profound sympathy.

**Hon. C. William Doody:** Honourable senators, it is with feeling of deep personal sadness and loss that I rise today to offer tribute to our friend Senator Bill Petten. Like all of you, I was immensely shocked when I heard the news of his passing on Saturday past. It seems like only a few weeks ago that I joined a group of you in wishing Bill many happy and fulfilling years of retirement, and now he has been taken from us all too soon.

I have been privileged to call Bill Petten my friend for many years, far longer than the 30 years that he has spent here in the Senate or indeed the 20 years that I have spent here. He was a kind and a courteous man back then, as he was up to the time of his passing. Anyone who has ever known him has memories of a kind, compassionate, generous, gracious man.

There are those in this chamber — I think specifically of Senator Lewis — whose friendship with Bill Petten goes back even further than mine. Perhaps Senator Rompkey is also a graduate of that same school where they learned so many values and passed on so many of the good parts of Newfoundland culture and lifestyle to those less fortunate people in Canada who have not had that experience.

I first met Bill Petten when I went to work on the waterfront in St. John's. I was about 16 then, a customs clerk for a small fish export firm. Bill was a customs broker, as it was called in those days. He and his father, the late Ray Petten, were one of a group of business people in St. John's who represented various fish-trading people in the rural communities of Newfoundland. The firms that Bill represented were mainly in the Bonavista, Trinity, Catalina areas, firms that go back into the depths of antiquity in terms of traders and fishers and business people. The Swyers and Mifflins, Tilleys and Ryans; he became intimately acquainted with the people who lived in that part of the province. He learned to love them and to grow with them and to represent them so well here in this chamber.

That part of Newfoundland's lifestyle has passed, as has so much else, but when Bill Petten came to the Senate, he threw himself into the life of this chamber with the same kind of enthusiasm and dedication that he showed during his commercial activities.

On Saturday past, one of the local reporters phoned me, asking some questions about Senator Petten. He asked if I could add anything to the story he was writing. He asked me what Senator Petten's hobbies were and what his interests were. It occurred to me that Senator Petten had three hobbies, three interests. These were his family, the Liberal Party and the Senate. These were his life. He dedicated himself to these things and served them with enthusiasm and honour and grace.

Bill Petten was called to the Senate in 1968. To some that may seem like a long time ago, but it does not seem long to me; I guess there is a message there, too. For 17 years he served as Liberal Party whip in this place. All of us here know what a thankless and difficult job that is. He handled it with the same grace and good humour that he handled everything else in his life. The job was made somewhat easier for him during that period because many of the responsibilities for the "whipping" on the Conservative side of the chamber were looked after by our friend Orville Phillips, who worked closely with Bill Petten. I guess Orville's warmth and graciousness and kind and gentle manner helped Bill immeasurably in the tasks he had to do. There is no doubt in my mind at all when Bill laughed and smiled and joked his way through that, that he could laugh and joke and smile his way through anything.

Senator Graham has mentioned his wonderful, tremendous wife, Bernice. It is pretty difficult to imagine Bill Petten without Bernice. They were quite a team. She shared all of his joys and disappointments, his frustrations and triumphs, as well as his hobbies that I just mentioned. I know how much she will miss him. I know that we will all miss him. I certainly shall.

•(1420)

On my own behalf, that of my colleagues on this side, the entire chamber and the thousands of friends that he made in Newfoundland over the years, I wish to extend to Bernice and to their children, Sharon, Rob, Raylene and Bill Junior, our deepest sympathies and sincerest condolences. We will miss him.

**Hon. Joyce Fairbairn:** Honourable senators, it was with tremendous sadness that I heard of the death on the weekend of my friend and former colleague Bill Petten. I share the shock of other colleagues and I find it hard to realize that he is gone.

Bill was a mentor to me in the Senate. I had the privilege, and the fun, of being his seatmate during some of this chamber's historic and hair-raising debates in the early 1990s.

Even before that, we had worked together quietly when I was legislative advisor to former prime minister Trudeau, and Bill, as our whip in the Senate for 17 amazing years, was designated to keep the channels of communications open with the other place. This he did with me almost daily, as well as with the Government House Leader of the time, the Honourable Mitchell Sharp.

Bill was a great educator, and most certainly made a difference in my understanding of the role of senators and the contribution to Parliament made by the Senate. One could not have had a better ambassador for this institution. He remained one of its greatest assets and friends right until the end.

On the weekend, Prime Minister Chrétien described Bill as a man of great kindness, warmth and good humour. In his words, "People just naturally liked him." That is a true and perfect description of Bill Petten. Others have noted that he put dedication and honour into his role as a representative of Newfoundland and as a representative of the Liberal Party there.

Thirty years ago this week, Bill gave his first speech in this chamber. I found it interesting to note that at that time he repeated the words his father had used years before to express his feeling in his own maiden speech in the Senate. He said:

...I realize that the privilege granted me of speaking on the floor of this house today is an honour to the province I represent rather than a tribute to any merits which I myself may possess.

Clearly, Bill vigorously wore his heart on his sleeve for his home province. All of us understood Newfoundland's issues, its concerns and its unique character vividly through him. That, honourable senators, is one of the roles of members of this house, which is just as important as any piece of legislation.

I said earlier that Bill helped me learn how to be a senator. I could not have had a better role model, although I will never be able to match, or even come close to the example he set. When I had the privilege to spend a period of time as Leader of the Government here, he was a source of constant wisdom, support, and loyalty. When asked, he always cheerfully stepped in to help as Deputy Leader. As a good friend, he never hesitated to tell me when he thought I could do better or take a different approach, and I always listened carefully.

The thing that I will savour always is his sense of humour and his utter joy of living. I will never stop hearing the echo of his laughter, and neither will the family whom he treasured with such pride.

In extending my sympathy to his beloved Bernice and all the children — Bill Junior, Rob, Sharon and Raylene — their grandchildren and their extended family, I know that Bill will be with them always in great and loving memories. In his new home, he will continue to keep colleagues and friends in line with kindness and with laughter.

**Hon. Orville H. Phillips:** Honourable senators, I should like to join in the tributes to a very special friend, Bill Petten. I served with both Bill and his father in this chamber. We became very special friends in a rather humorous way. I had been hospitalized and when I returned to the Senate, Bill spoke to me in the anti-chamber and welcomed me back. We spoke about various things and then he said, "I think the government is doing a very good job, don't you?" He seemed a bit surprised when I disagreed with him. He looked at me and said, "Oops, I forgot that you are a Conservative." For a long time thereafter when we would meet, I would remind him on which side of the house I sat. When the government changed, he used to reverse the situation and say it was his turn to complain about the government.

I always appreciated that Bill understood that the opposition and minorities were small in number. Whether in the Standing Committee on Internal Economy, Budgets and Administration or in the Senate, he always tried to be fair to the minority.

As whips, we often had discussions. He would phone me in the morning and say, "Put the tea on. I am coming up shortly." According to Dr. Keon's instructions, we were both drinking decaffeinated tea. We quite often agreed that the tea was not very good, but the price was right. We had many friendly discussions about that.

He used to talk to me about his retirement and all the travel he had planned. Yesterday, when I visited the funeral home, I found myself wondering just how much of that travelling he and Bernice were able to do because, unfortunately, he did not have the lengthy retirement that his efforts deserved.

He loved "The Rock," as he used to call it. He loved his people and he understood them. He enjoyed telling about his experiences while working with Joey Smallwood and travelling throughout the province. I have laughed at many of those stories.

I join with those who have expressed their sympathy to Bernice and their family. I know the next few days will be very difficult for them, particularly for Bernice, as she is just recovering from surgery. However, as time goes on, I am sure they will begin to appreciate and recall the memories that we all do.

•(1430)

**Hon. P. Derek Lewis:** Honourable senators, it is with great sadness and a heavy heart that I rise today to pay tribute to the late Honourable William J. Petten, who was a member of this chamber for 30 years and only retired from here in January of last year. It is not only as a former colleague in this chamber that I speak, but as a great personal friend of Bill, as we all knew him.

Bill and I had been friends for about 70 years. We both started and finished school together and grew up in our community of St. John's. We have, ever since, shared our mutual life experiences — both the ups and the downs. I can assure you that he was the greatest person to have as a friend.

I was able to rejoice when he was called to the Senate in 1968. Whilst here, he applied himself diligently to the work of the Senate, where he rose to be the whip of his party for 17 years. It is only regrettable that his father, the late Senator Ray Petten, was not around to also rejoice in his appointment.

When I came to the Senate in 1978, Bill was the whip for my party. I received from him much valuable assistance and advice as to the workings of the Senate. We shared many happy hours here and, over the years, I was a beneficiary of his hospitality and that of his family here in Ottawa.

Bill always had a great interest in politics and over the years was a great supporter of and worked hard for the Liberal Party. He applied himself vigorously in furthering the interests of his party both here and in his province of Newfoundland.

I well recall how, as whip, he kept those of us on our side of the chamber in line and on deck, when needed. In this, he applied himself seriously and successfully. He usually achieved this by force of his personality, astuteness and hard work. In this regard I should like to mention that Bill had an ability to get to know people, understand people, and become their dependable friend. His friends were legion.

Bill was always ready to assist people and offer help whenever he perceived it was needed or would be appreciated. I am sure there are many in this chamber who have experienced this attribute that he possessed. He was vibrant and enthusiastic and always ready to jump in and take part in any activity that was about to happen.

Senator Doody has made mention of his friendship with his opposite member when he was whip, Senator Phillips. Over the years, I recall his remarking to me sometimes about the difficulties he was experiencing in negotiating with the opposite whip. After speaking like that for awhile, he would suddenly turn to me and say, "But he is an all right fellow anyway."



Bill was a great traveller and always game to visit and experience new communities and societies. In this way, he got to visit and appreciate many parts of Canada and other countries of the world. In so doing, he made many friends around the globe. He was a proud Canadian and represented his country well on his visits to other countries.

In his work in the Senate, Bill was always conscious of his call to represent the interests of his province, within the context of the national well-being. At this, he always worked strongly.

We have all lost a good and dependable friend and former colleague. I will miss him deeply.

Bill was a good family man, and I join with all others in extending the deepest sympathy to his wife, Bernice, and to his family.

**Hon. Ethel Cochrane:** Honourable senators, I was both saddened and shocked to hear that Bill Petten died suddenly in Ottawa on Saturday. It seems just like yesterday that we were wishing him and his wife, Bernice, a long and enjoyable retirement.

During his long career in politics, Bill Petten gave admirable service to his province, to his country, and to this institution. He was well respected here for his warmth and his friendship to everyone. He went out of his way to be welcoming and his doors were always open to everyone — both at his office and in his home. His hospitality was always freely given no matter where people came from.

Bill Petten was a true gentleman, with much kindness in his soul. He will be well remembered and sadly mourned by other legislators in other countries around the world, who knew him through his active involvement in the CPA and other inter-parliamentary organizations and who enjoyed, as we did, his friendliness, his openness and his hospitality.

I hope that his wife, Bernice, and the rest of his family take some solace in knowing that so many others share their grief.

**Hon. Bill Rompkey:** Honourable senators, I want to take the opportunity to leave on the Hansard of this chamber, which he loved and respected so much, a few memories of Bill Petten.

Before being elected, I remember coming to Ottawa as a delegate for a convention. It was Bill Petten who picked us up at the airport, drove us to the hotel and made sure that we were looked after while we were here because he was the host for our province in Ottawa. That was how he saw his role. That was how he played the role, and he played it well.

I then remember coming here as a new MP in 1972, with my family — my wife and two small children. We stayed at the Petten home. They looked after us for a few days. They also found a real estate agent for us until we could rent a house in Ottawa. When Bill visited my house, if he saw something that

needed to be done, he would return in his overalls, with his hammer and saw, to help fix it, usually things that I could not do for myself because I am not handy. One of the things people need to remember about Bill Petten is that he was a handyman. He was a carpenter, a jack of all trades. He could turn his hands to such things, and he loved to do so. He did it for people willingly.

I can remember the Petten home on other occasions because those of us who come from Newfoundland party once in awhile — although not often enough. We are known to have a party from time to time. We are even known to break into song. As a matter of fact, we have become so disaffected with songs from other parts of Canada that we compose some of our own. We would start the evening with those and with some Irish songs. As the evening progressed, we would eventually get to old hymns that Al Graham can remember singing, I am sure. In that house, there was hospitality, there was warmth, and there was friendship. Bill loved that. He and Bernice did it so well together, the host and hostess for our province in this city. That is how I will remember him. I will also remember the stories. He had an infinite supply of stories and anecdotes.

That, for me, is his legacy, namely, that of a friend, a host, a companion, an advisor. I will dearly miss him. I wish to extend my sympathy to Bernice and to Rob, Sharon, Raylene and Billy.

**Hon. Jeremiah S. Grafstein:** Honourable senators, I thought I should bring a central Canadian perspective to this otherwise fascinating tribute to our friend the late Bill Petten.

When I think of the words "distinctive Canadian," I can think of no better example than Bill Petten. He was a distinctive man in many ways, but mostly in his words and his wit. His language and his Newfoundland mode of expression was so different that whenever I heard him, it brought a smile to my lips. When I say "whenever I heard him" or overheard him, I must say that Bill sat behind me after he stepped down as whip. I always heard two speeches in the chamber. One would be the Speaker on this side, or on the opposite side, and the other would be a low-level commentary in Newfoundland wit by Bill. During a very serious speech, I would sometimes break out in laughter involuntarily because of the crack or the comment or the anecdote that Bill would whisper in my ear as the Speaker was going through his routine.

●(1440)

I thought Bill was a very distinctive character in the language until I met Bernice. Her wit is probably faster and sharper than Bill's wit. I always imagined what their pillow talk would be like. I imagined Bill and Bernice together saying, "Well, have you heard this one?" That is what Bernice and Bill would always say to me.

I say this to Bernice: Bill left his mark through his wit, language and generosity of spirit. He left his mark as a great Liberal and a great Canadian, and he will always be remembered by myself and by my family.

[Translation]

### VISITORS IN THE GALLERY

**The Hon. the Speaker:** Honourable senators, I wish to call your attention to the presence in our gallery of a distinguished group from la Fédération des policiers et policières du Québec. The federation president, Yves Prud'homme, is accompanied by Christine Beaulieu, Sylvain Grenier, and Sylvain Dugas. They are the guests of Senator Prud'homme. Allow me to welcome you to the Senate.

[English]

## SENATORS' STATEMENTS

### INTERNATIONAL WOMEN'S DAY

**Hon. Erminie J. Cohen:** Honourable senators, yesterday we observed International Women's Day. Millions of women around the world marked this day with rallies, marches, panel discussions and receptions to celebrate and reflect upon women's progress in all fields of endeavour. Originally, this special day began as an event to draw attention to the plight of working women, and to commemorate the first massive strike by women against intolerable working conditions.

International Women's Day has its roots in the labour movements of the late 19th century and early 20th century when workers protested poor working conditions and low wages in the textile industry, which employed many women. International Women's Day was first celebrated on March 8, 1911, and had "Universal Female Suffrage" as its theme. In the 88 years since, women have gained the vote and much more — equality under the law, and a more prominent place in all aspects of society. The day also gives us an opportunity to raise public awareness of the oppressive and serious conditions confronting many women worldwide.

Honourable senators, I would be remiss if I did not recall that in 1929 five Alberta women were successful in having women recognized as "persons" under the law. They made it possible for many of us here today to be eligible to sit in the Senate. Before and since, women have made significant contributions every day in the home, workplace and community, all for the betterment of society. I invite my colleagues to join me in applauding the courage and determination of these five special women in celebration of International Women's Day.

**Hon. Senators:** Hear, hear!

[Translation]

**Hon. Lucie Pépin:** Honourable senators, as my colleague Senator Cohen has already said, yesterday, March 8, was International Women's Day, an opportunity for the men and women of Canada to celebrate the progress that has been made

toward equality and to reflect upon the obstacles still to be overcome.

It is an opportunity to celebrate the many accomplishments of women from a variety of regions and a variety of backgrounds who have contributed to the economic and social success of this country.

Honourable senators, I would like to draw the attention of my colleagues to a sculpture that is located in the Hall of Honour. We may pass by it nearly every day, but I am very sure that few of us take the time to appreciate this tribute to Canadian women.

The work I refer to is the bas-relief in tribute to the contribution of Canadian nurses, from 1639 to 1918.

In many ways, the history of Canada's nurses parallels that of the country itself: the Red River colony, the Klondike gold rush, the Boer War, the First and Second World Wars — dates in our history where nurses were present. From the early days of New France to modern day peacekeeping, Canadian nurses have been an integral part of the growth of our country. So many tales of courage and self-denial to inspire us!

One of them takes us back to the early days of New France, when a group of nuns cared for the members of the Huron nation. It took place during the terrible smallpox epidemic of 1639. Their respect for humanity and their desire to care for the sick of another culture are portrayed in the bas-relief I have just described.

[English]

Another is the saga of the Grey Nuns who, in the 1840s, canoed through the wilderness to care for the sick in Western Canada.

A third is the story of the first member of the Victoria Order of Nurses — formed in 1897 — who played a vital role in bringing public health services to remote communities across the country.

Honourable senators, I would be remiss if I did not also mention the bravery and sacrifice of Canadian nurses during wartime. These women, too — women who risked their lives to serve the world in its hour of greatest need — are respected in the memorial sculpture. That generosity of spirit carries on to this day. That same wellspring of care and compassion can be found among nurses working in today's modern hospitals and community health units across the country.

[Translation]

Nursing care in the 1990s is highly complex. To provide the best possible care, today's nurses must work with budget restrictions that often cause them to burn out without having the satisfaction of giving their patients the best care possible.

Nurses would like the time to give a word of encouragement to find out the needs of their patients, to provide comfort that would speed up the healing process. This is why I am happy the public is increasingly recognizing the crucial role played by the nursing staff in our health care system.

I am especially pleased that in its latest budget, the federal government decided to create a special research fund in nursing care in the amount of \$25 million. This was a very positive decision.

[English]

Honourable senators, for more than three centuries, Canadian nurses, with their dedication and compassion for others, have exemplified some of the very finest values we cherish as Canadians.

[Translation]

In recognition of International Women's Day, I encourage my colleagues to support the often very thankless task of nurses and to give them the respect they deserve.

**Hon. Thérèse Lavoie-Roux:** Honourable senators, like my two colleagues before me, I, too, want to call the attention of the Senate to International Women's Day and the beginning of International Women's Week.

[English]

The theme this year is "Going Strong — Celebrating Older Women." It recognizes the International Year of Older Persons as declared by the United Nations for 1999.

Honourable senators, this is an occasion to reflect upon the challenges facing women, particularly older women in our society.

[Translation]

Women make up more than half of our seniors, and 70 per cent of those aged 85 and older are women.

[English]

Senior women are among the poorest of Canadians. More than 45 per cent of unattached women over the age of 65 live in poverty. Without the resources and support they need, senior women are at risk when it comes to independence and health.

Another challenge facing older women is elder abuse. Women are almost twice as likely as men to be victims of elder abuse.

[Translation]

In Canada, it is estimated that 4 per cent of seniors, or 100,000 people, are the victims of abuse. However, studies have shown that approximately 10 per cent of seniors are subject to elder abuse.

[English]

Estimates are difficult to make, given the tendency to under-report the problem. Consider the fact that older women are most victimized by a spouse, and often by an adult child.

Understandably, there is a great deal of stigma and shame associated with elder abuse, and they will not report it.

[Translation]

Financial exploitation is probably the most prevalent form of abuse, followed by psychological abuse such as humiliation or intimidation. Although less frequent, physical abuse is also a serious problem affecting approximately 12,000 of Canada's seniors.

[English]

•(1450)

The United Nations' principle for older persons states that older persons should be able to live in dignity, security, and be free of exploitation and physical or mental abuse, and that older persons should be treated fairly and be valued independent of their economic contributions.

[Translation]

Honourable senators, thousands of older women in Canada do not enjoy these rights. Older women are likely to suffer abuse and to live in poverty. In this house, we have often drawn honourable senators' attention to child poverty and child abuse. I would like us, in the not too distant future, to find an opportunity to examine this problem. As the number of seniors increases, this becomes a priority.

Until then, we must content ourselves with the observation that Canada is not the only country with an elder abuse problem. It is a social problem of some proportion in other countries as well, and is often inhumane and extremely degrading for those who have built their community and their country. Today, in thinking of all these people, we can consider how we can improve their lot, particularly that of older women.

[English]

**Hon. Mira Spivak:** Honourable senators, this week marks the last International Women's Day of this century. Yesterday, women and men everywhere reflected on the movement towards equality, celebrated the gains which society has made in recognizing the human rights of women and paused on the work yet to do.

In Canada, many reflected on the recent Supreme Court decision which found that there is no such thing as implied consent to sexual assault in Canadian law. They also expressed dismay at the aftermath of that ruling. I think that it is appropriate that we here add our voice to the defence of Madam Justice Claire L'Heureux-Dubé who, in her judgment on the *Ewanchuk* case, defended a young woman and all women against stereotypical and mythical attitudes still held today.

Justice L'Heureux-Dubé has been unjustly attacked both by Judge McClung and, more surprisingly, by the celebrated criminal lawyer Edward Greenspan, for what many have called a decent and necessary judgment. Judge McClung's finding that the complainant in the *Ewanchuk* case had implicitly consented



to sexual advances, despite the finding of facts, not disputed, that such advances had been explicitly refused three times, justified Madam Justice L'Heureux-Dubé's calm and detailed disagreement with the Alberta Appeal Court judge. His "bonnet and crinolines" comment, the characterization of Ewanchuk's behaviour as more hormonal than criminal, his contention that the young woman ought to have defended herself, all these quaint and unjust notions were demolished with steely logic by the Supreme Court justice.

Judge McClung's attack on this eminently rational ruling was further proof of his anachronistic and wrong-headed views about women. However, Mr. Greenspan's remarks were even more disturbing. They revealed a startling bias against what he called, "mindless, feminist ideology." Madam Justice L'Heureux-Dubé's judgment was neither mindless nor particularly ideological. It reflected a rather common sense approach. Has the word "feminist" become a pejorative? What is feminism, if not the belief that men and women should be treated equally and are equally entitled to justice in our legal system? This is a deadly serious idea, if one casts a glance at countries around the world. Pakistan, for example, comes to mind.

To paraphrase Thomas Jefferson, the price of justice is eternal vigilance. It is not the disagreement about this case that is troubling, as that often happens; it is the underlying attitudes it reveals about women: that by their dress they invite assault; that they do not mean no when they say no; that a woman is at fault for not defending herself when she is assaulted. These attitudes, reduced to their absurdity, would excuse most sexual assaults.

Madam Justice L'Heureux-Dubé has shone a clear light on these attitudes, revealing them in all their disconnectedness from reality. We owe her our respect and gratitude. She is following in the tradition of the late Justice Brian Dickson, who, in 1989 in a sexual harassment case, dressed down the members of the Manitoba Court of Appeal for their wrong judgment. No stream of invective was directed at him.

I commend Madam Justice L'Heureux-Dubé for her wisdom and her judgment that harkens back to one of Manitoba's best known advocates of women's rights, the suffragette Nellie McClung, the grandmother of the judge who sparked this latest controversy. It is through women such as these that Canadian society has made progress toward equality. However, attitudes change slowly and obviously more work remains for the 21st century.

**Some Hon. Senators:** Hear, hear!

## POVERTY AMIDST PLENTY

CONFERENCE HELD IN EDMONTON

**Hon. Douglas Roche:** Honourable senators, I wish to inform the Senate of an important conference, Poverty Amidst Plenty, held last weekend in Edmonton. Some 300 persons examined the reasons why, in a country as rich as Canada, there is such devastating poverty. Senator Cohen made a distinguished contribution.

Three points stood out: The gap between the rich and the poor in Canada is growing at an alarming rate, and this is especially true in Alberta. The second is that the credibility of governments in addressing this problem is low. In fact, there is anger at governments because, despite their rhetoric that governments would repair the poverty problem, the poor are worse off than ever. The third is that the people at the top of the economic scale have captured the political system, which now pays more attention to satisfying the never-ending demands of the rich than meeting the needs of the poor. This is a formula guaranteed to promote radical reaction.

The time has come for governments to stop talking and begin acting to enable the poor to access the health, education, and social services they need to climb out of poverty. Under the mistaken impression that speakers of the conference were attacking Albertans because there is poverty in Alberta, Premier Ralph Klein protested that the Parkland Institute, sponsors of the conference, was slanting the facts. Actually, the Parkland Institute, a well-respected research organization located on the campus of the University of Alberta, presented the poverty picture, which is not a pretty sight, as it is.

The Parkland Institute deserves credit for bringing these facts forward in an effort to strengthen the fabric of our whole society. The genesis of the conference lies in the continuing work of the Quality of Life Commission in Edmonton which, three years ago brought out its report "Listen to Me," in which the cries of the poor were documented. All governments would benefit from rereading of that report.

## THE LATE MR. JOE DIMAGGIO

TRIBUTE

**Hon. Francis William Mahovich:** Honourable senators, Joe DiMaggio has reached home plate. He was one of the legends of America and of baseball. I had the opportunity to meet him a few years ago. My wife and I were attending a Hall of Fame dinner in Palm Springs.

I was told that he was a very quiet and reserved man, so I did not know how the conversation would go. I recalled years earlier that I had been browsing through a bookstore and picked up a book about Moe Berg, an American spy. I found it interesting and started to read it. Moe Berg was an American who played with the New York Yankees. The Yankees in the late 1930s were playing exhibition games in Tokyo, Japan. As they were playing Moe Berg, who was a third-rate catcher, was on top of building taking photos of different cities and different industrial sites. I guess the military wanted information on those cities. That was Moe Berg.

In order to get a conversation started with Joe DiMaggio, I said, "Hey, Joe, do you remember a fellow by the name of Moe Berg?" His eyes lit up, and he told me a story about Moe Berg coming to the Yankees, and at that time making maybe \$4,000 a year. Moe asked Joe if he could stay the weekend with him while

he got settled. Joe said, "Fine." He stayed the whole summer. Whenever Joe would have guests over for dinner or a social, he would go into his living room, and there would be Moe Berg's laundry hanging along the living room, with his socks and shorts all over the place. I found it a very amusing story.

A few years later, Joe was holding a golf tournament in Atlantic City and invited my wife and I to attend. We were quite excited about it. My wife had taken out her ball glove. It was one of those 1930 baseball gloves that did not have a pocket in it. She went outside and had a game of catch in the backyard with the children. Because there was no pockets in the glove, the ball had gone through her hand and hit her in the eye. Of course, she had a black eye. When we went down to Atlantic City, she was wearing sunglasses. At the social prior to the dinner, I took off her glasses and showed Joe DiMaggio the black eye. I said, "Joe, she was catching a ball with one of your mitts, and this is what happened." He knew exactly what I was talking about, because if you go down to the Hall of Fame in Cooperstown, you will see there an old glove of Joe DiMaggio's that does not have a pocket. That is one of the reasons why, when Joe DiMaggio caught a ball, he always used two hands.

I just thought I should mention the relationship I had with Joe DiMaggio, one of the great ball players of our era. The legend is gone, but the memories stay on.

[Translation]

## QUESTION OF PRIVILEGE

**Hon. Marcel Prud'homme:** Honourable senators, on Tuesday last, the Standing Committee on Privileges, Standing Rules and Orders deliberated, chaired by Senator Maheu. There was a discussion on the committee's report — I do not want to go back over the discussions — and it was agreed that the report was to be tabled in the Senate.

**The Hon. the Speaker:** Senator Prud'homme, I am sorry to interrupt, but senators' statements must not relate to events outside the Senate. If you will indicate that is what you want to do I will hear you.

**Senator Prud'homme:** Honourable senators, I am sorry, I knew now was the time to bring this up, but I forgot to tell you this has to do with the question of privilege I raised last week.

I will not mention what happened last week, as everybody was here. A committee sat on Tuesday, March 2, with order to table its eighth report in the Senate. The report could have been tabled on Wednesday, March 3; it was tabled on Thursday, March 4. To my surprise, however, only part of the report was tabled. As I considered myself directly targeted under rule 59(10), page 62, I immediately raised the question of privilege, which did not require notice. I nevertheless gave notice on behalf of the independents if they so wished, even if it was not necessary.

I therefore had to raise the question today, to report exactly the events of Tuesday, March 2, and Thursday, March 4, but I understand the committee will sit this afternoon. I also believe there is movement in the air. Accordingly, with the permission of

the Senate, I would ask to have this question of privilege suspended until later in the week.

Believing firmly in the tenor of the question of privilege I am raising, not only in my own name, but in the name of the new independent senators, I think it would be wise to be patient a few days longer and to suspend the question of privilege I raised on Thursday. Accordingly, I do not withdraw it, but I leave it pending, since there is a meeting this afternoon. We will see how we will pursue this question of privilege.

Should you decide I must deal with it today, I will raise another question of privilege under rules 22(3), page 21, and 43(5), page 47. I spoke today to remain true to what I said I would do last Thursday, but I will say no more.

**The Hon. the Speaker:** Honourable senators, do you agree to suspend the question of privilege raised by Senator Prud'homme?

**Hon. Senators:** No.

**The Hon. the Speaker:** Honourable senators, there is no unanimous consent.

**Senator Prud'homme:** If there is no unanimous consent for me to suspend it, I have two choices: either I proceed or I drop the matter and present another under another rule.

[English]

Just to show that there is still some good faith among the independent senators, and that I refuse to play games and go ping-pong between the two major parties, I will kindly let my question of privilege lapse. I am choosing my words carefully in order to conceal my anger. I will let this question of privilege lapse, but I will not let the next one go.

•(1510)

## ROUTINE PROCEEDINGS

[Later]

### THE ESTIMATES, 1998-99

SUPPLEMENTARY ESTIMATES (C) TABLED

**Hon. Sharon Carstairs (Deputy Leader of the Government)** tabled the Supplementary Estimates (C) for the fiscal year ending March 31, 1999.

NOTICE OF MOTION TO REFER VOTE 25C  
OF SUPPLEMENTARY ESTIMATES (C)  
TO JOINT COMMITTEE ON OFFICIAL LANGUAGES

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I give notice that tomorrow, Wednesday, March 10, 1999, I will move:

That the Standing Joint Committee on Official Languages be authorized to examine the expenditures set out in Privy Council Vote 25c of the Supplementary Estimates (C) for the fiscal year ending March 31, 1999, and

That a message be sent to the House of Commons to acquaint that House accordingly.

NOTICE OF MOTION TO REFER SUPPLEMENTARY ESTIMATES (C)  
TO NATIONAL FINANCE COMMITTEE

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I give notice that tomorrow, Wednesday March 10, 1999, I will move:

That the Standing Senate Committee on National Finance be authorized to examine and report upon the expenditures set out in the Supplementary Estimates (C) for the fiscal year ending March 31, 1999, with the exception of Privy Council Vote 25c.

### FIRST NATIONS LAND MANAGEMENT BILL

#### FIRST READING

**The Hon. the Speaker** informed the Senate that a message had been received from the House of Commons with Bill C-49, providing for the ratification and the bringing into effect of the Framework Agreement on First Nation Land Management.

Bill read first time.

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the second time?

On motion of Senator Carstairs, bill placed on the Orders of the Day for second reading on Thursday next, March 11, 1999.

### CANADIAN NATO PARLIAMENTARY ASSOCIATION

MEETING OF SUBCOMMITTEE ON DEFENCE AND SECURITY  
COOPERATION BETWEEN EUROPE AND NORTH AMERICA,  
WASHINGTON, NEW YORK, U.S.A.—  
REPORT OF CANADIAN DELEGATION TABLED

**Hon. Bill Rompkey:** Honourable senators, I have the honour to table the seventh report of the Canadian NATO Parliamentary Association which represented Canada at the meeting of the NATO Parliamentary Assembly Subcommittee on Defence and Security Cooperation between Europe and North America held in Washington and New York, U.S.A., January 31 to February 6, 1999.

### HEALTH

NOTICE OF MOTION TO MAINTAIN CURRENT REGULATION  
OF CAFFEINE AS FOOD ADDITIVE

**Hon. Mira Spivak:** Honourable senators, I give notice that on Tuesday next, March 16, 1999, I will move:

That the Senate urge the Government of Canada to maintain Canada's current regulation of caffeine as a food additive in soft drink beverages until such time as there is evidence that any proposed change will not result in a detriment to the health of Canadians and in particular to children and young people.

### SECURITY IN EUROPE

#### NOTICE OF INQUIRY

**Hon. Jerahmiel S. Grafstein:** Honourable senators, I give notice that on Thursday next, March 11, 1999, I will draw the attention of the Senate to the Canada-Europe Parliamentary Association (OSCE) Delegation to the standing committee meeting of the parliamentary assembly of the Organization for Security and Cooperation in Europe held in Vienna, Austria, from January 14 to 15, 1999, and to the situation in Kosovo.

### QUESTION PERIOD

#### CORRECTIONAL SERVICE

INSTRUCTIONS TO STAFF TO BOOST RELEASES OF INMATES—  
EFFECT ON PUBLIC SAFETY—GOVERNMENT POSITION

**Hon. Donald H. Oliver:** Honourable senators, before putting my question, I would like to state that you, Your Honour, said earlier today that you saw three more people standing who intended to speak on Senators' Statements. There were four senators, as I stood on four different occasions to be noticed. I just wanted you to know that I was standing, and therefore there were not just three senators waiting to speak, but four.

My question is for the Leader of the Government in the Senate. Canadians are shocked to learn that federal wardens in Ontario prisons have been instructed to boost inmate release by 69 per cent by the end of the year. Commissioner Ole Ingstrup has instructed parole officers to ignore technical parole breaches such as alcohol use and association with criminals, in determining release.

In a memo, Mr. Ingstrup called for a 50-50 quota split between convicts in prison and those on parole by the year 2000. This is now like a virus in the system.

My question is this: Will the Leader of the Government in the Senate confirm that the Liberal government is promoting a quota system for release of Canadian prisoners?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, the answer is absolutely not. My response is completely in the negative.



**Senator Oliver:** The CSC is bullying the National Parole Board and individual wardens into meeting this quota and implementing a 12-step reintegration program. The government has a fiduciary duty to protect Canadians, first and foremost. By releasing more prisoners and ignoring the safeguards currently in place, this responsibility is being ignored. The Solicitor General must take responsibility for this cost-cutting measure.

Can the Leader of the Government in the Senate explain this outrageous decision to those Canadians who have fallen victim to the crimes of repeat offenders?

**Senator Graham:** Honourable senators, my response to Honourable Senator Oliver's first question was in the negative. There have never been quotas for the release of offenders. Safety is Correctional Service Canada's first priority. It remains paramount in all decisions affecting offenders.

**Senator Oliver:** Would the honourable leader undertake to investigate the questions that I have put to him, and return to the house at the appropriate time and reconfirm that the statements that I have made are therefore incorrect?

**Senator Graham:** Honourable senators, if my answers are incorrect, I should be happy to bring forward any corrections to my statements.

In passing, I will say that Correctional Service Canada is doing a better job of preparing offenders for a safe return to society. A gradual return of those offenders who are ready to be integrated into the community is the best method of protecting the public, in my opinion.

**The Hon. the Speaker:** Honourable senators, before I call on other honourable senators, I wish to comment on the statement by the Honourable Senator Oliver regarding my statement that there were three honourable senators waiting to speak and not four.

I had indeed seen the Honourable Senator Oliver standing. However, I had been advised that you had indicated earlier that although you wished to make a statement, if there was a long list you were prepared to put it over to the next sitting. It was on that basis that I did not add your name to the list at that time.

**Senator Oliver:** With respect, there were still four. You could have said, "There are four and I will hear three." That is my point.

**The Hon. the Speaker:** I try my very best to be fair to all honourable senators. I acted on your statement that there was no rush for you to make your statement today.

## CANADIAN HERITAGE

### REMOVAL OF POSTAL SUBSIDY FOR CATHOLIC PUBLICATIONS— GOVERNMENT POSITION

**Hon. Douglas Roche:** Honourable senators, my question is directed to the Leader of the Government in the Senate. A bureaucratic decision in the Department of Canadian Heritage

has taken away the postal subsidy under the publications assistance program for a number of Catholic publications. The reason given for this ruling is that the publications concerned are pooling their coverage of Canada, rather than originating each story in their own publication.

This ruling is both bizarre and absurd. It threatens to put the Canadian Catholic press and religious press of other denominations out of business at the very time that, through Bill C-55, the government is trying to protect Canadian publications.

Knowing that the government leader will be as horrified as I was at this unfathomable and cruel blow to religious journalism, will the leader assure the Senate today that the government's political sense will come to the fore, overturn this ruling and permit Catholic publications to continue making a contribution to the well-being of our society?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I would be pleased to bring Senator Roche's representations to the attention of the government, and in particular those most responsible. I see Senator Murray in his place, and I know that Senator Stewart is normally in his place in the chamber. Both senators would be very familiar with *The Casket*, which is the newspaper for the Diocese of Antigonish in my home area. It is an excellent paper. It also serves as the local community paper in Antigonish and the surrounding communities.

•(1520)

Senator Roche is referring presumably to the wider community of not only the Catholic press but other religious newspapers. I believe he is referring to a story in the newspaper which indicated that they have been notified that they did not meet the original-content criteria but continued to receive funding. However, they have not yet been de-registered from the postal subsidy.

Although it would appear that the *Catholic Register* and other newspapers that fall into that category do not meet all of the criteria of the programs, it is my understanding that they have been informed that they may provide additional information to help in the assessment of their eligibility.

I most certainly will bring the representations made by Senator Roche to the attention of those responsible for this matter.

**Senator Roche:** Honourable senators, I notice that the Leader of the Government did not attempt to defend this bizarre ruling that was made at the bureaucratic level. It is not a question of the papers not meeting the criteria. Rather the criteria, which were arbitrarily set at a bureaucratic level, are absolutely absurd and go against the very intention of the government in sponsoring and fostering Canadian publications with Canadian content.

To indicate the importance of this, here is the current edition of the *Western Catholic Reporter* which states:

Catholic press under attack — Gov't ruling could spell end of Canadian news service.

I draw that respectfully to the attention of the Leader of the Government in the Senate so he will bring the representations forward with some urgency.

**Senator Graham:** Honourable senators I will carry those representations forward with urgency. I want to point out that publishers have been notified that they have, I believe, 30 working days from the date of the notice of de-registration in which to request a review of the decision.

As I said earlier, I shall bring Senator Roche's representations and, I am sure, the concerns of all honourable senators to those responsible for matters of this kind.

### TREASURY BOARD

EFFECTS OF ARRIVAL OF YEAR 2000 ON WORKING  
OF GOVERNMENT—PRESENCE OF GOVERNOR GENERAL  
AND PARLIAMENT IN CAPITAL—GOVERNMENT POSITION

**Hon. Lowell Murray:** Honourable senators, I wish to ask several questions of the Leader of the Government in the Senate concerning the Y2K millennium bug.

We have all received a good deal of information from the government about the steps that are being taken to ensure that health and security systems are operational in the event of any problem arising. We have also received information advising householders in the country how to prepare for and deal with any problems. We are aware that there is a good deal of cooperation between the government and business on this matter.

My interest is in the exercise of political authority, political responsibility and political accountability on this matter. Specifically, is the government satisfied that it has sufficient legislative authority at present to deal with any possible eventuality? Is consideration being given to seeking additional legislative authority? What arrangements are being taken or are in place at the political level, first ministers' level or ministerial level, between the federal government and the provinces on these matters?

Finally, in view of the fact that a great many public servants in key positions are being told to remain at their posts over the Christmas and New Year period some months from now, are the Governor General and federal cabinet ministers being asked to stay at their posts in the National Capital Region over the Christmas and New Year period? Is any consideration being given to making the same request of parliamentarians, members of the Senate and the House of Commons?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, that is a very serious matter. I hope that I will have an opportunity to stay at the Honourable Senator Murray's residence in the National Capital Region at that particular time. I know that he would be an excellent host under rather severe circumstances.

Having said that, the lead minister on this matter is the President of the Treasury Board. He has kept his colleagues

advised of the progress that is being made for any eventuality. There are ongoing consultations with his provincial counterparts.

I am not aware of any present plans with respect to additional legislative authority, nor am I aware that plans are being made with respect to the Governor General, the Prime Minister, cabinet ministers or members of the Senate and the House of Commons.

I should say that the matter is being monitored on a continuing basis. I remember at one point last year saying that progress had been made, I believe, from a 43 per cent preparedness to something in the order of 73 per cent. I understand that, as of last December — that is the last report I remember seeing — 82 per cent of the Year 2000 work on key federal services had been completed.

Overall, essential federal services are expected to be ready for the year 2000. The government has a very comprehensive and aggressive plan in place. Efforts to repair key systems are on schedule. The federal government is also working with provinces, territories and municipalities, as well as the entire private sector, to share information and solutions.

**Senator Murray:** Honourable senators, will the leader undertake to obtain an answer to my question concerning the presence of the Governor General and cabinet ministers in the National Capital Region over that period? Is it intended to ask them to remain at their posts here, and is consideration being given to asking Parliament to stand by over that period?

**Senator Graham:** Honourable senators, that is a matter on which I shall have to consult. I am pleased to do so.

I said that the President of the Treasury Board is the lead minister, and I should also say that Industry Canada is fostering private sector preparedness through key initiatives, such as the Task Force 2000 and CAN2K, rural seminars and all kinds of tool kits in this regard. All departments of government are involved, including, and probably very critically, the Department of National Defence.

**Hon. Terry Stratton:** Honourable senators, with respect to Y2K, I had asked a related question earlier. In the private sector when we were doing projects, it was always the last 10 per cent of the project that took about 90 per cent of the time. That is the worrisome part about trying to complete projects to 100 per cent particularly in this instance.

### PRIVILEGES, STANDING RULES AND ORDERS

NORMAL SITTING HOURS OF COMMITTEE—  
REQUEST FOR DETAILS FROM CHAIRMAN

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, my question is for the Chair of the Standing Committee on Privileges, Standing Rules and Orders. Can the honourable senator remind us as to the regular meeting hours of that committee?

**Hon. Shirley Maheu:** Honourable senators, that committee meets when the Senate rises on Tuesdays.

## THE BUDGET

### REFUSAL OF CANADIAN BOND RATING AGENCIES TO RESTORE TRIPLE A RATING—IMPACT OF INCREASING NUMBERS OF SENIORS ON ECONOMY—GOVERNMENT POSITION

**Hon. Terry Stratton:** Honourable senators, my question is related to AAA, not the American Automobile Association, but rather the Canadian bond rating agency which last week refused to restore the government's triple-A credit rating in spite of a balanced budget.

●(1530)

It warned that the federal government is exposing Canada to a potential credit crunch because the government is not cutting the debt and because it is relying on taxes to pay for new spending. It said that the government could be hit hard if interest rates go up and that, with taxes already at high levels, it would be hard to raise more money to meet these higher rates.

Has the government any figures on how much would be saved in interest if the Canadian bond rating agency were to reinstate Canada's AAA credit rating?

**Hon. B. Alasdair Graham (Leader of the Government):** That is an interesting question, honourable senators, and I shall attempt to bring forward an answer.

As my honourable friend has observed firsthand, the government has been working assiduously not only to reduce the deficit but to reduce the debt. The government is determined to ensure that interest rates come down. However, with respect to his question in relation to bond rating, I will attempt to bring forward a more complete answer as early as possible.

**Senator Stratton:** On a supplementary question, honourable senators, the same bond rating agency also warned that our ageing population and the resulting health and social security costs pose a significant risk and do not bode well for tax relief.

Why has the government failed to set a target for an acceptable level of debt-to-GDP, taking into consideration the consequences of an ageing population, so that Canadians can be certain that their government will be able to meet the costs of an ageing population with reasonable levels of taxation?

**Senator Graham:** Honourable senators, I believe that, were Senator Stratton to look at the documentation attached to the budget very carefully, he would recognize that the level of debt to GDP is being reduced on a consistent basis.

**Senator Lynch-Staunton:** But the debt itself is not going down.

**Senator Stratton:** My question is really directed to the fact of our ageing population and the consequences of it on our social welfare costs.

**Senator Graham:** Honourable senators, I appreciate that, and if there is more information that I can bring forward, I will be happy to do so.

## NATURAL RESOURCES

### STORAGE OF NUCLEAR FUEL WASTE ON REMOTE NORTHERN SITES—DISCUSSIONS WITH ASSEMBLY OF FIRST NATIONS—GOVERNMENT POSITION

**Hon. Janis Johnson:** Honourable senators, my question is directed to the Leader of the Government. Government officials met with Indian leaders in November to negotiate burying nuclear wastes in the Canadian Shield. However, both parties lay responsibility with the other for initiating these talks.

Was the land of the native people targeted as a potential nuclear waste dump site because of the lucrative monetary gains they stand to make? Were all implications of accepting such an agreement laid out?

Also, will the Minister of Natural Resources make publicly known to Canadians what other options are being considered to dispose of this nuclear waste?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, officials have sought to meet with First Nations representatives to discuss how aboriginal people should be consulted in the nuclear fuel waste issue. They are not pushing any other agenda. The government is leading on the issue of nuclear waste storage. In 1996, we made it clear that the owners of nuclear fuel waste are directly and financially liable for managing and disposing of it.

As I understand it, the Minister of Natural Resources has said that he will propose, before the end of this year, the preferred option for a federal oversight mechanism. The proposal will be over and above existing regulatory measures, to ensure that nuclear fuel waste is managed in the most environmentally sound, healthy and safety conscious manner.

I wish to assure my honourable friend that consultations will be undertaken with those who are involved.

**Senator Johnson:** Honourable senators, in the hearings of the Standing Senate Committee on Aboriginal Peoples on aboriginal self-governance these matters are sometimes raised. They are becoming more and more critical in light of the legislation before us dealing with land claims.

**Senator Graham:** Honourable senators, as I mentioned, NRCAN officials sought, I believe in November and December of last year, to meet with representatives of the Assembly of First Nations to begin discussions on how First Nations should be consulted on the nuclear fuel waste issue. No meetings have yet taken place, due only to scheduling difficulties on both sides.



NRCAN officials have been consulting with other stakeholders on what is known as an appropriate oversight mechanism. As I indicated, the Minister of Natural Resources has stated publicly that he intends to return to cabinet with the preferred option before the end of 1999. However, there will most certainly be discussions with all the stakeholders in the meantime.

**Senator Johnson:** Honourable senators, I am woefully ignorant of what is happening with this material now. Does the honourable leader have any idea? Where are the waste products currently buried?

**Senator Graham:** Honourable senators, there have been suggestions, for instance, that the government is planning to fast-track the disposal of nuclear wastes. As the honourable senator would know, the Seaborn panel made clear in December of 1998 that the government's role in this issue is to ensure that nuclear fuel waste management and disposal is carried out responsibly and in the most environmentally sound, healthy, safety conscious manner.

As I indicated, the government is consulting with all the stakeholders with respect to the present methods of disposal. I would have to look further and bring forward an answer, as appropriate, in the very near future.

#### DELAYED ANSWERS TO ORAL QUESTIONS

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I have a response to a question raised in the Senate on February 4, 1999 by the Honourable Senator John Buchanan regarding the announcement of mine closings in Cape Breton, consequences of memo on closure of the Phalen mine; a response to a question raised in the Senate on February 11, 1999 by the Honourable Senator Gerald J. Comeau regarding the report on West Coast fishing communities, veracity of released version; a response to a question raised in the Senate on February 18, 1999 by the Honourable Senator Terry Stratton regarding the Prime Minister, request for details on recent vacation at Whistler, British Columbia; and a response to a question raised in the Senate on March 3, 1999 by the Honourable Senator J. Michael Forrestall regarding the crash of a Labrador helicopter in Gaspé, inadequacy of compensation paid to estate of pilot.

#### CAPE BRETON DEVELOPMENT CORPORATION

ANNOUNCEMENT OF MINE CLOSINGS IN CAPE BRETON—  
CONSEQUENCES OF MEMO ON CLOSURE OF  
PHALEN MINE—REQUEST FOR COPY—GOVERNMENT POSITION

*(Response to question raised by Hon. John Buchanan on February 4, 1999)*

Here follows a document issued by Devco describing the government's decision with respect to the future direction of the corporation. This document was provided to Devco employees on January 28, 1999, and was made public and widely distributed the day of the announcement.

#### F.Y.I. CAPE BRETON DEVELOPMENT CORPORATION CORPORATE ANNOUNCEMENT

Today, Minister Goodale and his colleagues, Senators Graham and Butts, along with Board Chairman Joe Shannon and President/CEO George White are meeting with Corporation management, union representatives and the media. During these meetings, announcements are being made of decisions regarding the future for the Corporation and its employees, as well as on economic measures for the community.

Concurrent with these meetings, site management are meeting as many employees as possible to communicate the same information.

In recent months, the Board of Directors assessed a range of options for the Corporation and made recommendations to the Government. Input was also provided to the Government from various other stakeholders. The decisions being announced today reflect consideration of all the input. The consequence of these decisions is that the Corporation finds it necessary to take the following actions:

1. At Prince colliery, the development of the North/South mine layout will continue with the first wall in this area, 1 North, being ready for production early in the 1999/2000 fiscal year. The mine plan shows that future years' production at Prince can be maintained at an annual level of approximately 1.3 million tonnes, supporting a Corporation workforce of about 500 people.

2. In the case of Phalen colliery, the Board of Directors, having assessed the mine in terms of safety risk, geological risk and financial risk, have decided not to proceed with further development of the main slopes nor the levels previously anticipated as a result of the most recent mine plan. Operating activity will be curtailed to only that required to produce the coal from 8 East, which came into production last fall. The production from 8 East is expected to take approximately eighteen months to complete. When production on 8 East ceases, the mine will be closed.

It is important to understand that circumstances could develop which would mean an immediate closure of the Phalen colliery before the planned time frame is achieved. These circumstances would include any increased safety concerns; major geological occurrences, or, any deterioration of employee commitment leading to productivity levels lower than forecast.

In order to mitigate the impact of these actions on the employees of the Corporation, the communities and the economy of Cape Breton, the Government of Canada has committed further funding of approximately \$111 million to implement the following programs:

The introduction of an additional Early Retirement Incentive Program (ERI) that is forecast to provide benefits for up to 340 more employees at an annual benefit of up to \$22,900 consistent with the 1996 program. These employees, who by the end of December 1998, were 48 years of age and will have a total of 75 points by the time they turn 50 will have an opportunity to draw ERI benefits. This program will include ERI benefits to 223 employees by December 1999 and 117 more employees by December 2000.

Approximately 650 additional employees, who are not eligible for ERI, will be provided with a severance package which for most employees will yield an enhanced benefit level to that previously available. The severance package will be specific to each employee's years of service. The enhancements to the severance will be specific to this workforce adjustment and will be in effect over the remaining life of Phalen colliery. Application of this package will be reviewed in detail with each of the bargaining units relative to their respective collective agreements.

A retraining program will be developed in partnership with the management and unions of the Corporation as well as the University College of Cape Breton, the Nova Scotia Community College, CB Business College and the Human Resource departments of the federal and provincial governments. Up to \$5 million has been set aside for this program which will allow employees who take a severance package to be reimbursed for training expenses up to a maximum \$8000.

Other components of today's announcements include:

A decision that the \$69.0 million which CBDC borrowed from the Federal Government since 1996 is no longer a repayable obligation of the Corporation.

A decision that the Federal Government will initiate a process to sell CBDC's operations. It is important to note that should a buyer be found, any final sales agreement will require approval by the CBDC Board, the Federal Government and Parliament. There will be an opportunity for all stakeholders to provide input during this process.

The government is also recognizing that the impact of the decisions relating to the operations of Cape Breton Development Corporation will be felt throughout the

economy of Cape Breton. To help mitigate this impact, \$68.0 million in new funding has been approved by the Federal Government for an economic adjustment strategy. The details of this strategy will be developed in consultation with the community over the coming months.

During today's announcements, Mr. Shannon acknowledged the personal commitments of Minister Goodale and Senator Graham noting that without their efforts and support the workforce adjustment package and economic development measures would not have been possible. He also commended the employees of the Corporation for their patience and dedicated efforts throughout a difficult and uncertain period.

The "FYI" document simply identifies certain hypothetical events that could have negative repercussions on the best of employment expectations. The government hopes that no significant safety risks arise. The government hopes that no major geological disruptions will occur. The government hopes that acceptable productivity levels will be maintained. This is in everyone's best interests.

Nevertheless, it must be acknowledged that hypothetical events cannot be entirely ruled out and are largely beyond management's prevention or control. Devco's candid and up-front approach with its employees was a sound and reasonable business practice.

Miners in receipt of severance payments will not be able to receive employment insurance benefits immediately.

Severance pay constitutes earnings and will be considered when a claim is filed. It will be allocated at normal weekly earnings from the date of the lay-off.

The allocation is such that the total earnings are, in each consecutive week except the last, equal to the claimant's normal weekly earnings from that employment.

However, under the current legislation, the window of time that a claimant can receive benefit is extended by reason of the allocation of severance payments. The length of the benefit period including any extension cannot exceed 104 weeks.

## FISHERIES AND OCEANS

### REPORT ON WEST COAST FISHING COMMUNITIES— VERACITY OF RELEASED VERSION—GOVERNMENT POSITION

*(Response to question raised by Hon. Gerald J. Comeau on February 11, 1999)*

Mr. Gislason's most recent work was conducted throughout the summer and into the early fall of 1998. By September, when the report was complete, much of its

information and recommendations were already being implemented, as the delivery of the new Canadian Fisheries Adjustment and Restructuring (CFAR) measures was well under way.

As such, a report that summarized the Gislason work and also reflected the progress being made by the department was prepared. Initially, it was planned that this summary, along with the original report, would be released in concert with expected announcements on recreational fishing and early retirement, and an announcement from WD on community economic adjustment. Unexpected delays in these program announcements resulted in unplanned delay in release of these reports. The summary report was made available to the public in January, as was the full report.

Mr. Gislason has been part of several studies for the federal and provincial governments to provide greater understanding of fisheries issues on the West Coast.

Mr. Gislason's reports include:

The Economic Value of Salmon:  
Chinook and Coho in British Columbia  
February 1996

Fishing for Answers:

Coastal Communities and the B.C. Salmon Fishery  
September 1996

Fishing For Money:

Challenges and Opportunities in the B.C. Salmon Fishery  
June 1998.

All of these reports informed the development of the Government of Canada's announcement of a \$400 million restructuring package (Canadian Fisheries Adjustment and Restructuring) announced in June 1998.

The government believes Mr. Gislason's numbers reflect what might more accurately be called work shrinkage, rather than jobs lost. Lost jobs indicate that people were actually laid off. It is the government's understanding that the numbers Mr. Gislason is using consist of a roll-up of the lost work weeks of employment that have resulted from less time spent employed in either fish processing, fishing or in the recreational sector. As a result the actual job losses are much smaller. The government has a major \$400M response in place, involving DFO, HRDC, and Western Economic Diversification providing assistance to individuals and communities to address the impacts of the recent changes in the salmon fishery.

The mandate of the Minister of Fisheries and Oceans is restricted to fishermen. Plant workers and other allied workers are the responsibility of the Province, and as a result, it is difficult for the federal government to challenge

numbers in those sectors. As part of the process to implement a cost-shared early retirement program, the Department of Fisheries and Oceans and the Province are currently working with Mr. Gislason to determine if common understanding can be reached on real job loss in the fishery. The federal government has committed \$20 million to an early retirement program for fishers on the West Coast. Other programs are available through regular and supplemental initiatives through Human Resources Development Canada.

## PRIVY COUNCIL OFFICE

PRIME MINISTER—REQUEST FOR DETAILS ON RECENT VACATION AT WHISTLER, BRITISH COLUMBIA

*(Response to question raised by Hon. Terry Stratton on February 18, 1999)*

The Department of National Defence provided a Challenger aircraft for the trip. For security reasons, this is the usual method of travel for the Prime Minister when an aircraft is warranted. The Department of National Defence makes Challenger logs, including passenger lists, available to the public on a routine basis.

## NATIONAL DEFENCE

CRASH OF LABRADOR HELICOPTER IN GASPÉ—  
INADEQUACY OF COMPENSATION PAID TO ESTATE OF PILOT—  
GOVERNMENT POSITION

*(Response to question raised by Hon. J. Michael Forrestall on March 3, 1999)*

This is a tragic case and it is no doubt a difficult time for Captain Musselman's family. The Department is well aware of this case and we have received several letters from Captain Musselman's family. We are actively looking into this complex issue and we hope to have it resolved in the not-too-distant future.

## BUSINESS OF THE SENATE

ALL COMMITTEES AUTHORIZED TO MEET  
DURING SITTING OF THE SENATE

Leave having been given to revert to Notice of Motions:

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I move, seconded by the Honourable Senator Callbeck:

That, with leave the Senate and notwithstanding rule 58(1)(a), all committees have power to sit at 3:30 p.m. tomorrow, Wednesday, March 10, 1999, even though the Senate may then be sitting, and that rule 95(4) be suspended in relation thereto.



**The Hon. the Speaker:** Honourable senators, is leave granted?

**Hon. Senators:** Agreed.

Motion agreed to.

## ORDERS OF THE DAY

### CRIMINAL CODE

#### CONTROLLED DRUGS AND SUBSTANCES ACT CORRECTIONS AND CONDITIONAL RELEASE ACT

##### BILL TO AMEND—THIRD READING

**Hon. Wilfred P. Moore** moved the third reading of Bill C-51, to amend the Criminal Code, the Controlled Drugs and Substances Act and the Corrections and Conditional Release Act.

Motion agreed to and bill read third time and passed.

#### INTERNATIONAL SEARCH OR SEIZURE BILL

##### SECOND READING—DEBATE ADJOURNED

**Hon. Gérald-A. Beaudoin** moved the second reading of Bill S-24, to provide for judicial preauthorization of requests to be made to a foreign or international authority or organization for a search or seizure outside Canada.

•(1540)

He said: Honourable senators, Bill S-24 is entitled, an Act to provide for judicial preauthorization of requests to be made to a foreign or international authority or organization for a search or seizure outside Canada.

Clause 3 of Bill S-24 provides that:

Before making a request to a foreign or international authority or organization for a search or seizure outside Canada for the purpose of an investigation of an offence, a competent authority shall apply to a judge or justice for an order authorizing the request.

[Translation]

The purpose of this provision is to protect individuals in Canada against search or seizure outside Canada. When a citizen is being investigated with respect to an alleged federal offence, the attorney general concerned will have to obtain a judge's authorization, as is now the case for an investigation in Canada. Canadians are protected in Canada by the Canadian Charter of Rights and Freedoms. Outside Canada, they may be protected by the Charter under certain circumstances, as set out in *Cook*, 1998.

[English]

This enactment requires Canadian standards to be respected when Canadian authorities ask a foreign or international

authority to carry out a search or seizure in respect of a person or property outside Canada, no more, no less. This bill concerns the future only. It has no retroactive effect.

[Translation]

Clause 4 provides that a competent judge, who may hear the application *ex parte*, must be satisfied that it meets the standards established under the Canadian Charter of Rights and Freedoms and, if it does, may make an order authorizing the request, as required by clause 5 of the bill.

The case law on search and seizure can be summed up as follows.

Section 8 of the Canadian Charter of Rights and Freedoms provides for general protection against unreasonable search and seizure. This guarantee applies to both physical and moral persons. Section 8 therefore protects the right to privacy, regardless of the method used. But this protection is not absolute.

The courts have defined the notion of "unreasonable" as used in section 8. In fact, for a search or seizure to be "reasonable," as opposed to "unreasonable," it must, according to the Supreme Court of Canada in the 1984 *Hunter* case:

- (i) have been pre-authorized
- (ii) by a neutral and impartial party, who must act judicially,
- (iii) on reasonable and probable grounds, mere suspicion not sufficing, and
- (iv) be carried out in a reasonable manner.

An illegal search or seizure will, *prima facie*, be unreasonable. A legal search or seizure can be ruled unreasonable if it is conducted in an unreasonable manner. In addition, it would be very difficult to justify as "reasonable" under section 1 of the charter a search or seizure that is ruled unreasonable.

Let us be clear that violating the physical integrity of an individual is the most serious offence possible. This is followed by violation of the home and the office.

[English]

Thus far, the courts have made a distinction between seizures in criminal matters and seizures in administrative matters. The criteria of the *Hunter* case outlined above apply rigorously to seizure in criminal matters.

[Translation]

Also, in *McKinley Transport*, in 1990, the Supreme Court stated that the greater the intrusion on the right to privacy, the more the guarantees in the *Hunter* decision must be respected.

[English]

Let me now say a few words about the *Schreiber* case of 1998.

[Translation]

"The fact that the Minister of Justice for Canada requested seizure of the banking documents by the Swiss authorities does not convert the request into the sort of government action that is limited by s. 8," according to the majority of the Supreme Court in *Schreiber*.

The facts are as follows: As part of a Canadian criminal investigation, the Canadian Department of Justice sent a letter to the Swiss authorities requesting assistance in gaining supporting evidence. No authorization was obtained before this letter was sent. The Government of Switzerland complied with the request by the Government of Canada, and the documents relating to Mr. Schreiber were seized. Mr. Schreiber does not contest the actions of the Government of Switzerland. He does, however, feel that the Government of Canada ought to have obtained a search warrant or a prior judicial authorization before sending the letter to the Government of Switzerland. The majority of the Supreme Court judges rejected this argument. As a lawyer myself, I am, of course, the first to bow completely to the Supreme Court judgment. As I will be saying in a few minutes, Parliament can legislate in order to improve our system.

[English]

Madam Justice Claire L'Heureux-Dubé, who is writing for the majority, is of the opinion that the Canadian Charter does not apply to a foreign government and that the Charter, our charter, has not been violated.

Chief Justice Lamer came to the conclusion that section 8 of the Charter does apply because the Canadian authorities are at the origin of this search and seizure but that *Schreiber* had no expectation of privacy. The Chief Justice then wrote, at page 857, that:

In other words, a person who has property or records in a foreign state runs a risk that a search will be carried out in accordance with the law of that state. He can not "reasonably expect" that this will not happen, if the laws of the state clearly permit it. Of course, in Canada, the prevailing domestic law must itself be measured against the Charter to determine whether it violates the constitutional privacy right which s. 8 guarantees... However, this court is much more reluctant to measure the laws of foreign states against guarantees contained in the Canadian Constitution. At the same time, if use of the evidence obtained on the strength of foreign laws affected the fairness of a trial held in Canada, it could be excluded under a combination of ss. 7 and 24(1) of the Charter —

•(1550)

Mr. Justice Gonthier and Mr. Justice Iacobucci dissent. They are of the opinion that the seizure of bank accounts outside

Canada without a judicial preauthorization violates the right of privacy.

[Translation]

In reaching this conclusion, Mr. Justice Iacobucci bases his decision on a broad and liberal interpretation of section 8 of the Charter, which addresses the individual and assigns no importance to where the seizure takes place. The strength of section 8 lies in its protection of the individual prior to — and this is the heart of the problem — the search or seizure. In this connection, Mr. Justice Iacobucci states on page 866:

[English]

Section 8 would have very little value as a guarantee to the right to privacy if it operated only to exclude, *ex post facto*, information obtained in an unreasonable manner; by that time, the individual's privacy has already been violated and the personal and intimate information is in the hands of the authorities.

[Translation]

While agreeing that the Government of Switzerland was not subject to the provisions of the Charter, Mr. Justice Iacobucci of the Supreme Court still felt that *Schreiber* had reasonable expectations of privacy, and the Canadian authorities should have had to obtain a warrant before sending the formal request to the Swiss authorities.

[English]

I agree that they are dissenting judges. They are not judges in the majority.

[Translation]

He explained on pages 872-873:

[English]

The search and seizure was initiated by the Government of Canada by formal request to the Government of Switzerland in the absence of a treaty. The request was in furtherance of a Canadian investigation presumably leading to prosecution of a Canadian in Canada for an alleged violation of the Canadian Criminal Code. The right to privacy, as it has been interpreted under the Charter, protect people and not places. The impact on the individual of a search and seizure of bank records is the same whether the search and seizure took place in Canada or in Switzerland. The respondent has a reasonable expectation of privacy with respect to banking information no matter where the account are held. It is entirely reasonable, in my view, that the respondent should expect that Canadian authorities will not be able to request the assistance of Swiss authorities in obtaining his Swiss bank records without first obtaining some form of judicial preauthorization in Canada.

[Translation]

To get back to Bill S-24, we consider, in the light of requests in previous years, that this process of judicial preauthorization may be properly managed and will not mean exorbitant costs. According to the figures provided by the Department of Justice in the affidavit accompanying the brief of the Attorney General of Canada in *Schreiber*, Canada made 79 requests in 1992; 80, in 1993; 137, in 1994; 109, in 1995 and 87 in 1996. We do not have the figures for 1997 and 1998, but I expect that the officials of the Department of Justice could provide us with them at an appropriate time.

I note as well that Bill S-24 does not infringe on the mutual assistance treaties binding Canada and a number of foreign governments. I think there are 16.

[English]

In conclusion, the purpose of Bill S-24 is to improve the protection of the right to privacy in Canada.

I should say a few words about the definition found in clause 2 of Bill S-24.

[Translation]

A foreign public official is a person who holds a legislative, administrative or judicial position of a foreign state, or who performs public duties or functions for a foreign state. This is not my definition. It is based on the definition in section two of the Corruption of Foreign Public Officials Act, which was given Royal Assent on December 10, 1998.

As defined in this act, the competent authority is the Attorney General of Canada, the attorney general of a province or any person or authority with responsibility in Canada for the investigation or prosecution of federal offences.

A foreign state means a country other than Canada. More specifically, it includes any political subdivision of the foreign state, including its government, and any department or branch, as well as any agency of that country or of a political subdivision of that country. This definition is taken from the Corruption of Foreign Public Officials Act mentioned earlier.

The offences covered under this bill are federal in nature. This bill is therefore limited to federal acts and regulations.

The designation of competent judge varies according to province. "Justice" has the same meaning as in section 2 of the Criminal Code.

Clause 6 of the bill provides for the replacement of the definition of "judge" in the event that Bill C-57 comes into force before this bill, so as to reflect Nunavut's legal system.

**The Hon. the Speaker:** Honourable senators, I am sorry to inform the honourable senator that his time is up. Is leave granted for him to continue?

**Senator Beaudoin:** May I have leave to finish my remarks?

**The Hon. the Speaker:** Is leave granted, honourable senators?

**Hon. Senators:** Agreed.

[English]

**Senator Beaudoin:** It does not state in Bill S-24 that the Canadian Charter of Rights should apply to a foreign state which, of course, is impossible. What we are asking for is that a competent Canadian authority, such as the Attorney General of Canada or the attorney general of a province, comply with the Charter when an inquiry in Canada is launched and that, before a request is made to a foreign country, a judicial preauthorization take place. Canadian authorities should respect the Charter before they make a request to a foreign country for search and seizure.

Bill S-24 is within the legislative sphere of the Parliament of Canada. Of course, there is a judgment of the Supreme Court of Canada, and I agree with it entirely. However, the Supreme Court has often invited the Parliament of Canada and the legislatures of the provinces to occupy their field in matters of rights and freedoms.

●(1600)

I do not want, at this stage, to start a debate on the separation of powers between the judicial, the executive and the legislative branches of the state. This basic separation of powers remains completely intact. Our courts are strong and independent. We cannot, however, pretend that we have government by judges. We have reached a good equilibrium between the three main powers of the state in our country.

With Bill S-24, Parliament is only invited to occupy its legislative field. We may always improve our system of law in the domain of rights and freedoms, and we should be more liberal in the field of rights and freedoms.

The Senate, needless to say, is a legislative house. That is its first duty and its "raison d'être." Bill S-24 is of general application. It concerns the offences to federal legislation. It is not concerned only with bank accounts outside Canada. Its application is much broader. It concerns search and seizure and, consequently, deals with the right to privacy generally.

[Translation]

**The Hon. the Speaker:** Before other senators take the floor, I must tell the you that I have made an error. Because you were the sponsor of the bill, you were entitled to 45 minutes. I should therefore not have interrupted you.

[English]

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, perhaps Senator Beaudoin could explain whether this bill speaks to the issue of the seizing or the securing extraterritorially of bodily substances to be used for DNA analysis. As the honourable senator knows, the warrant system in place for the domestic seizure of bodily substances for DNA purposes is covered by legislation that this house examined a couple of years ago. Would clause 3 apply in that instance?



**Senator Beaudoin:** Since the purpose of this bill is to put on the same level searches or seizures inside Canada and outside Canada, we should apply the same principle.

Honourable senators, my impression is that the debate on the DNA issue is not over yet. The Standing Senate Committee on Legal and Constitutional Affairs has studied something in this regard. However, if a warrant is necessary in Canada, this bill may have the effect of extending that obligation when a Canadian authority makes a request of a foreign authority. The bill relates only to one point.

I favour the dissenting opinions of the two judges. I know that I am bound by the judgment of the majority. However, if we follow the dissenting opinions, we improve our law system in our country, which is always a good goal. If DNA tests are subject to warrant inside Canada, they would therefore be mandatory when made by a Canadian authority outside Canada.

**Senator Kinsella:** My understanding is that the warrant is necessary.

**Senator Beaudoin:** In Canada.

**Senator Kinsella:** Perhaps the committee studying the bill could examine this matter in the fullness of detail it requires.

On motion of Senator Carstairs, debate adjourned.

## PRIVILEGES, STANDING RULES AND ORDERS

### EIGHTH REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the eighth report of Standing Committee on Privileges, Standing Rules and Orders (joint committees), presented in the Senate on March 4, 1999.—(*Honourable Senator Maheu*).

**Hon. Shirley Maheu** moved the adoption of the report.

Motion agreed to and report adopted.

[*Translation*]

## OFFICIAL LANGUAGES ACT

### PROGRESSIVE DETERIORATION OF FRENCH SERVICES AVAILABLE TO FRANCOPHONES OUTSIDE OF QUEBEC— INQUIRY—ORDER STANDS

On the Order:

Resuming debate on the Inquiry by the Honourable Senator Simard, calling the attention of the Senate to the current situation with regard to the application of the Official Languages Act, its progressive deterioration, the abdication of responsibility by a succession of governments over the past 10 years and the loss of access to services in

French for francophones outside Quebec.—(*Honourable Senator Corbin*)

**Hon. Eymard G. Corbin:** Honourable senators, I note that the days allocated for this inquiry by Senator Simard are coming up to day fifteen. I am taking the floor today in order to keep this inquiry on the Order Paper. By speaking, I will move it back to the top of the list. My apologies to my colleagues for not raising the matter earlier.

As some of you are already aware, I had the honour of accompanying His Excellency, the Governor General, to Africa, where we spent two weeks, and hence was absent from here. I had proposed to raise this matter the day before I left, but we were asked to have our luggage packed and brought over to Rideau Hall a day earlier than planned.

I can tell you that, when I do address this matter in the very near future, I shall be speaking on the teaching of French as a second language. This issue is rarely raised, perhaps never, in this place, and yet, in my opinion, it is vital in a context of national unity, in my opinion. I move the debate be adjourned.

Order stands.

•(1610)

[*English*]

## NATIONAL DEFENCE

### INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Forrestall calling the attention of the Senate to the Liberal cancellation of EH-101, and the state of Canada's Labrador and Sea King helicopter fleets.—(*Honourable Senator Berntson*).

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, I should like to continue the debate on the inquiry of the Honourable Senator Forrestall, who has called our attention to the cancellation by the government of the EH-101 helicopter purchase and the state of Canada's Labrador and Sea King helicopter fleets.

The honourable senator initiated this debate on December 2. Since that time, as we have been holding our breath with regard to the Labrador fleet, there have been a number of serious incidents with that same Labrador fleet, one as recent as last week. Those who keep account of these things, as I am sure the members of the family of the crews of that ancient equipment do, will know that there have been some nine incidents within a month. Some suggest there may be many more that we do not know about. Furthermore, the government has delivered a budget, which we will soon be examining in debate in this chamber. However, I note that there were no additional funds for capital expenditure to replace the unreliable Sea King fleet.

Some suggest, honourable senators, that the present government is demonstrating a fair level of disregard for the Sea King and Labrador crews and their families. Some even suggest that evidence of this lack of regard is a story of how the government treated the late Captain Musselman's family, as was alluded to earlier in today's proceedings. Captain Musselman's family sought to secure themselves of the pilot's terminable allowance but they were not successful. Rather, the government was successful in saving itself \$50,000 from his pilot terminable allowance, commonly referred to as a flight bonus.

We have all had various experiences in public administration and there are rules and regulations. However, the incidents of this pilot and the tragedy that his family has suffered suggests that this failure on the part of the government should be placed under a certain spotlight. The government felt that they had the right to keep the \$50,000 on the technical basis that the good captain died in active service, flying an aircraft which we have been suggesting is unreliable, the Labrador, because it is too old. This is the technical position the government has taken in order to say that the family could not have that \$50,000, that because the captain was flying in a category of service called "active service" he could not finish out his last four years of flight service. That is how much time he was short of receiving the full benefit.

Additionally, we have not found too many members on the government side in this chamber standing to participate in this debate. The record certainly shows that Senator Forrestall has been providing a great deal of opportunity, in his questioning, observations, statements and speeches, but the government side remains silent. Certainly, it has not been participating in this debate. That leads to one of two conclusions: Either they do not care, and I do not believe that, or they find that the government's lack of initiative in dealing with the state of affairs affecting the Sea King fleet is one they cannot and do not support. Therefore, they remain silent.

Honourable senators, you may recall we had the opportunity to question the Chief of Defence staff before one of our standing committees about the consequences to the careers of the pilots should they choose not to fly that equipment. We were told by the government that after that crash the crews were not required to fly them if they felt insecure in flying that equipment. The Chief of Defence Staff told us a different story. He told us that if they refused to accept that assignment they would be transferred out, knowing full well that that would hardly go under the "commendable" column in their records.

There are serious problems here. None of it, I believe, is based on ill will on anyone's part; however, it does speak to a material problem. We have a fleet of aircraft proven to be unreliable. The government has been failed to secure the right equipment to enable our armed forces to do the necessary coastal assignments, Coast Guard assignments, search and rescue assignments and the other duties which are assigned to them.

Honourable senators, I would therefore like to invite our colleagues on the other side to join in this debate and show

Canadians, particularly the Labrador and Sea King communities, that they do care about the two fleets and the people who must fly them, and that the government has a plan of action which we would love to hear.

On motion of Senator Atkins, debate adjourned.

## THE BUDGET 1999

STATEMENT OF MINISTER OF FINANCE—INQUIRY—  
DEBATE ADJOURNED

**Hon. John Lynch-Staunton (Leader of the Opposition)** rose pursuant to notice of February 18, 1999:

That he will call the attention of the Senate to the Budget presented by the Minister of Finance in the House of Commons on February 16, 1999.

He said: Honourable senators, a number of my colleagues, who are much more knowledgeable in such matters than I, will, during debate on this inquiry, analyze a number of aspects of the budget presented in the House of Commons on February 16. My comments are more general in nature and are limited to the budget process itself, to the dismissal of some disturbing observations by the Auditor General and to the distortions and fabrications constantly repeated on the supposed fiscal irresponsibility of the Mulroney government.

There was a time when tradition willed that a budget be veiled in absolute secrecy until the moment a Minister of Finance stood in his place and began reading the budget. There are instances of ministers resigning because of budget information, no matter how trivial, being revealed before it became public. In recent years, however, in Canada anyway, this strict confidentiality rule has been relaxed, and I believe for the better.

Public pre-budget consultations begin months before its presentation. The Prime Minister and Minister of Finance give not too subtle hints of its contents as the budget date approaches. Ministers most benefiting from the budget can hardly hide their delight while not so fortunate colleagues sulk with envy. It has come to the point where any formal budget announcement has usually been public knowledge for days, if not weeks, before it is confirmed, while budget day itself is being transformed more and more into a public relations exercise of self-congratulation as sustained applause follows the slightest ministerial boast by an eager caucus of admirers.

•(1620)

While allowing broad input during the pre-budget period is to be applauded, its significance is severely limited by the fact that, once a budget is presented, that is, for all practical intents and purposes, the end of the process.

Here is how the House of Commons précis of procedure explains it:

It is well known that the tax changes proposed in the Budget are put into effect immediately. However, these changes have not, at this point, actually been enacted into law, since the Minister tables only the notices of Ways and Means motions with the Budget — the legislation flowing from these motions has not yet reached even first reading stage. Until such legislation is passed (and this can take many months or even years), with a provision for retroactive application, the collection of these taxes is actually voluntary, and legally cannot be enforced.

Surely, if it is found advantageous to consult before a budget is prepared, additional consultations prior to its actual implementation would at least be equally valuable. There are those who will object as endless delays might occur, but these can be easily offset by defining appropriate schedules and deadlines. No doubt the Leader of the Government will agree that had post-budget consultations of the sort suggested been in force at the time, the 1982 budget presented by his mentor and our former colleague Allan J. MacEachen would have been altered as part of a parliamentary process and not as a result of an unprecedented and humbling public outcry which forced a most embarrassing retreat, even more than that suffered by Walter Gordon in 1963.

Right now, Parliament's contribution to the budget is minimal, largely limited to recommendations from its Finance Committee. Discussions in caucus and high-level meetings between government officials and various interested parties may be valuable but are held behind closed doors. Surely, a budget debate would take on more significance if it were held before and after tabling and before implementation. As it is, once presented, it is a fait accompli, even before the first comment is uttered, so that no matter how eloquent, impressive or persuasive one's argument, it has no direct impact on the budget itself, as the Minister of Finance and the government are notorious for holding to their original position, whatever the Parliamentary outcry.

In the case of the 1963 and 1982 budgets, the government of the day backed off only in the face of strong objections across the country, while Parliament was no more than a spectator. The same parliamentary impotence is found when the Estimates are tabled.

In a speech delivered only last week in Regina, the leader of the Progressive Conservative Party touched on this by deploring Parliament's declining influence. He said:

Modern government is complex, structured, overworked, expected simultaneously to deal with new problems and new constraints. How would modern government be improved by a more active Parliament?

The answer is clear. Governments, in a democracy, work better if they are accountable. In our system, that accountability should be to Parliament. Yet there is virtually no real accountability now, and there has not been for a long time. One result is that having eluded the control of Parliament, government is losing its connection with the

people Parliament exists to represent. Neither the Canadian government, nor the Canadian parliament, enjoy today the legitimacy they require to be effective.

Mr. Clark goes on.

One way to begin to solve that problem is to vest in Parliament enough real control to hold the government accountable to the people's representatives.

Specifically, Parliament's control of spending must be restored. Today Parliament has no control of the spending of the government. The annual spending estimates are "deemed" to have been approved by committees on a fixed date, whether or not MPs have ever examined them. There are reasons that was done, but the result is wrong. The basic power of Parliament is that it controls spending. That is what King John conceded, all those centuries ago.

Mr. Clark continues:

I would restore control over spending, by requiring a selected number of departments to defend their spending estimates before the House of Commons, without any time limit. The Opposition would select the departments, and would announce their choices late enough that every minister, every department, would operate on the assumption that they would be called.

I urge the government to open up the budget process so that parliamentarians can be part of it as contributors and not continue as passive observers. The power of the purse has for too long been reserved to the executive, and by returning it to the legislators it would not only re-establish some lost supremacy to Parliament but re-establish some of the public's lost confidence in it.

As for the Auditor General, his role includes providing aud opinions on the financial statements of the government. He is not a government employee but an officer of the House of Commons, appointed and answerable to it. The Auditor General Act was enacted in 1977, and it was only in 1990, when the Mulroney government was in power, that he was able to state in his annual report to the House, and I quote from the Auditor General's report, 1989-90:

I am delighted to report that for the first time since the enactment of the Auditor General Act, the financial statements present fairly, in accordance with the government's accounting policies, the government's financial position, results of operations, changes in financial position, and financial requirements. My audit opinion on the government's statements is now without reservation.

There is no shame in having the Auditor General question budgetary reporting procedures or even having strong reservations which do not allow him to give a clean opinion on the government's financial statements. He is there to help, not to embarrass, and a responsible minister will heed his advice and



act accordingly. Such was the case with the Mulroney government, which made all necessary corrections following the Auditor General's advice except in one case, that of over what period of time the government's investment in Petro-Canada should be written down.

This government has not only rejected outright the Auditor General's comments on the treatment of the GST harmonization payments, the Canada Foundation for Innovation and the Canadian Millennium Scholarship Fund, it had the audacity to hire two outside accounting firms to contradict the Auditor General, at great expense to the taxpayers, no doubt. In May of last year, the accounting firms' opinions were tabled before the Commons Finance Committee. The Auditor General was clearly not impressed. This is what we can read, written by him in the public accounts, Volume I of the Public Accounts of Canada, 1998:

I have carefully examined these letters together with other evidence related to this transaction —

— meaning the Millennium Scholarship Fund.

— I believe that the evidence does not support the accounting treatment chosen by the government.

Why this disregard for a neutral observer whose obligation is to ensure that the financial statements of the government are presented fairly, openly, and consistent with generally accepted accounting principles which other governments have no difficulty in adopting? This is but another sad example of a growing disregard by the executive branch for any outside critique, no matter how well founded or how well intentioned. That an officer of the House of Commons is treated in such a manner is not only an affront to him but to the House that appoints him.

Finally, on the so-called fiscal irresponsibility of the Mulroney government, any time the slightest criticism is raised here about the government's fiscal policy, the Leader of the Government and his colleagues in the other place take great glee in comparing current achievements to those of the Mulroney government, as only they see them. It makes for colourful rhetoric but not for factual presentation. In an attempt to set the record straight, I want to compare the legacy which was left to the Mulroney government and how it struggled with it with the legacy left the Chrétien government and how it has built on it. The figures that I will quote are from current government and Bank of Canada publications and the financial press.

•(1630)

On September 17, 1984, the day the Progressive Conservatives were sworn into office, the dollar was at 0.7589 U.S., the bank rate at 12.38 per cent, and the prime rate at 13 per cent. On November 4, 1993 the day the Liberals were sworn into office, the dollar was at 0.7672 U.S., or up 0.0083 cents, the bank rate was at 4.51 per cent, or down 7.87 per cent, and the prime rate was at 5.75 per cent, or down 7.25 per cent.

Yesterday, the dollar closed at 0.6616 U.S., down 0.1056 from November 4, 1993. The bank rate is at 5.25, or up nearly 0.75 of 1 per cent. The prime rate is at 6.75, or up 1 per cent. Interest rates and the value of a country's currency are key determinants of the future of its economy. The present trend that is the opposite to that inherited at the end of 1993 is disturbing to say the least.

Let us now look at the budgetary results. When the Mulroney government took office in 1984, it inherited a 1984-85 Liberal budget that produced a deficit of \$38.4 billion. Not only was this a record in its day, but it was achieved in a record way and time, as the Liberals took a budgetary surplus of \$139 million in 1969-70 and squandered it into a \$38.4-billion deficit in only 15 years.

How was this achieved? How was this accomplished? By increasing program spending from no less than 8 per cent, to as much as 28 per cent per year. In fiscal 1979-80, by the way, the increase was only 5.9 per cent. Coincidentally this was during the Clark government. These figures were also achieved by transforming an operating surplus into a deficit of \$14.8 billion and by increasing net public debt 11-fold from \$19.3 billion to \$208 billion.

In other words, budgets were out of control. The sorry state of the nation's fiscal condition was attracting concern from major creditors around the world as well as international institutions not the least being the International Monetary Fund.

One dubious achievement that drew their attention was the item of public debt charges that were 12 per cent of budgetary revenue in 1969-70 and rose to 31.5 per cent in 1984-85. Such are the major highlights of the fiscal mess left to the Mulroney government when it took over in September 1984, compounded all the more by high interest rates.

I am the first to admit that efforts to halt these dangerous trends were not all successful. Nonetheless, it is remarkable how many of the achievements in this direction there were. This is all the more remarkable when it is recalled that they involved measures which many Canadians had difficulty in accepting, conditioned and lulled as they were, by the irresponsibility of the Liberal government's cavalier approach to fiscal policy, which can be summed up in the slogan "Don't worry, be happy."

Program spending during the time of the Mulroney government ranged between minus 2.1 per cent to plus 10.3 per cent, the latter in the first year with future years witnessing an increase of no more than 7.2 per cent. An operating surplus was achieved during five of the nine Mulroney budgets. The deficit remained uncomfortably high, but efforts to at least bring it under control were being recognized and implemented. The debt did increase, but 3-fold, not 11-fold. Public debt charges ranged between 30 and 35 per cent of budgetary revenue, where they remained during the first three years of the Liberal government, and are now in the mid 20s.

The opposition constantly attacked the Mulroney government for endorsing the Bank of Canada's anti-inflationary policy whose main feature was a tighter money supply. This policy was

also followed during years of a recession, which are considered the most severe since the depression of the 1930s. The bank held to an inflation target of less than 2 per cent.

When the Liberals took office, they took smug satisfaction in bringing in a new governor of the Bank of Canada, allowing them to blame his predecessor along with the Mulroney government for every economic malaise affecting the country. Ironically, the present governor was a close associate of his predecessor. No sooner was he appointed than he reconfirmed the inflation target with the full support of the Prime Minister and the Minister of Finance who were condemning it only a few months previously.

What conclusions can one draw from all this? It is simple: The Mulroney government took on a near impossible task, having been left a fiscal mess by its predecessor, took hard and unpopular decisions to clean up the mess, and left its successor a situation which it dared not alter but rather has built upon.

Even the present Prime Minister has acknowledged finally that policies that he denounced as Leader of the Opposition were the right ones. According to the *National Post* of January 30, 1999, he is quoted as saying:

The difficulty we had in the last recession is that the government was obliged to raise taxes in the middle of the recession and they had no choice and I do not blame them.

So spoke Mr. Chrétien in Switzerland. I wish he would speak as frankly in his own country.

The Liberal government has thrived on the successes of its predecessors. Successes once condemned as failures it has now adopted as its own: reduced government spending, the GST, free trade, reductions in the public service, stricter conditions for various entitlements and eligibility; these are but a few of the Mulroney initiatives that the present government has not only embraced but elaborated on.

Every Liberal budget is to a large extent the continuation of efforts begun by the Mulroney government after 15 years of Liberal dissipation. Efforts which were condemned at the time are now largely responsible for the fiscal condition of the government being as encouraging as it is.

While it is not the present government's practice to give credit where credit is due, but to arrogate it to itself, surely it is not too much to ask to at least stop distorting the past that serves Canada well today. Without the policies of the Mulroney government, particularly in its management of public finances, the present Minister of Finance would be struggling with an impossible situation with the IMF looking over his shoulder. I take nothing away from his accomplishments. I only wish that he and his cabinet colleagues, who still cannot admit publicly what they recognize privately, would at least have the intellectual honesty to say nothing.

The Mulroney government took giant steps, which were extremely difficult and unpopular, to bring some sanity back into the nation's public finances. The Liberal achievements of the last

few years result in large measure from these, and to suggest otherwise is to engage in an exercise of malicious dishonesty which has no place in our society.

**Hon. John B. Stewart:** Honourable senators, I should like to ask Senator Lynch-Staunton three questions, if I may.

**Senator Lynch-Staunton:** Certainly.

**Senator Stewart:** I do not wish to do this in an argumentative way, but it is a matter of ensuring that certain information is put on the record.

The honourable senator referred to the fact that when the Minister of Finance introduces his budget, it may provide for new taxes. The problem to which the honourable senator referred is the fact that these taxes have no legislative basis in Canada until such time as they have been enacted into law. In the meantime, months may have passed and all sorts of transactions may have taken place, perfectly legally, anticipating the change in tax law in the months to come.

In the United Kingdom, they have a provision in their laws, enacted in 1913, for the provisional collection of taxes. This means that when the minister announces the tax, it goes into effect provisionally and the House of Commons has a certain period in which to enact the legislation which then becomes retroactive to the day that the budget was introduced.

The difficulty of following the British practice is the power of the Senate with regard to taxation law. We cannot follow the British example which is based on the law that the House of Lords is able to defeat a tax bill. The problem here is the Senate's power in relation to tax bills.

Has the honourable senator a solution to that problem? If he has, I know that there are many people who would be wonderfully happy to know about that solution. That is my first question.

**Senator Lynch-Staunton:** I do not see the problem, because the Senate has always respected the House's right to have control over the purse. We are more or less rubber-stamping their decisions. I know we can block and amend. We saw that during the GST debate but that was the exception, I hope, and no a precedent.

•(1640)

Perhaps that could be formalized through a constitutional amendment. As long as they are the elected body, I would see the power of public spending, to a certain extent, as the privilege of the House of Commons. They have to answer for it; we do not.

**Senator Stewart:** Honourable senators, that is one of the problems that was anticipated when the Senate was created. The smaller provinces did not want to give Ontario, which was the province with the growing population at that time, full control over either expenditure or taxation. So they gave powers in these matters to the House which assures the representation of other regions of the country.



I realize that the honourable senator comes from what I call "Tom Land" — Toronto, Ottawa and Montreal. Notwithstanding that, does he think that the extremities of the country would be prepared to give full control over taxation and expenditure to "Tom Land," to use that brief designation? Is this not a major concern for people in the east and the west, particularly Alberta in the west?

**Senator Lynch-Staunton:** The problem now is not "Tom Land," as you call it.

By the way, I have moved and now live in the Eastern Townships which is why I have that refreshingly objective approach which I may not have had before. I have a rural outlook. I am a dirt-scratch farmer now.

The problem is not so much that Central Canada control is concentrated in the more populated areas; it is the fact that the executive has abrogated the powers of the House of Commons. The first step one can take, if they do not give it up, is to grab it back. Our role in examining the Estimates is much more productive than the House of Commons which, in effect, is rubber-stamping the Estimates. It really does not go through them.

On the budget, though, the approval of revenues and expenditures and taxation policy, Parliament really has no say over it whatsoever. The House of Commons can get a little more authority over it by changing the budget process; you are quite right. If it were not confirmed once presented, it could be presented and debated for another week or two before it is implemented to allow some input by parliamentarians, for whatever it is worth. Right now, any contribution they make is for the record.

**Senator Stewart:** My second question relates to the Estimates. Does the honourable senator not realize that the present rules, the present Standing Orders of the House of Commons, make ample provision for the members of the House of Commons to deal with the Estimates?

According to the Standing Orders, the Main Estimates are to be referred to the standing committees on or before March 1 of the fiscal year, and the committees are to report back by the end of May. If they have not done so, in other words if they try to defeat the Estimates simply by doing nothing, then the Estimates are assumed to have been reported back.

The problem, it seems to me — and I ask the senator's opinion on this — is not the procedures of the House of Commons but the fact that the House of Commons committees are not doing their work.

**Senator Lynch-Staunton:** Exactly.

**Senator Stewart:** Consequently, the intensive study of the Estimates is not taking place there. At the same time, there is an opportunity for the opposition parties to put down debatable motions, some of which are votable. If the opposition were to use

those to attack particular Estimates, they could do so quite effectively. Why is this not happening in the other place? That is not a rhetorical question.

**Senator Lynch-Staunton:** I do not have an answer. I can only speculate that no matter how carefully a department's Estimates may be examined and analyzed by a particular committee, they know from the beginning that the majority — no matter what party is in power — has control of that committee and will not allow anything but an examination, and that the end result is the same as what they started with.

**Senator Stewart:** I will explain why I am asking this third question. It has an immediate purpose. The honourable senator talked about the growth of the Canadian debt. I believe he has taken into account the impact of the gradual decline in the value of the Canadian dollar on our interest payments outside the country.

That decline in the value of the Canadian dollar means that more Canadian dollars have to be paid to buy the currency in which we pay debt held by people outside Canada. That decline is, to a very great extent, the function of factors well beyond the control of the Canadian government. The crisis in the Far East drove down the Canadian dollar by reason of the increased popularity of the U.S. dollar.

Has the honourable senator taken that into account? He seemed to be blaming the Liberal government for the increase in the debt, whereas, to some extent — and certainly it is true in the province of Nova Scotia in the case of the provincial debt — it is a result of foreign considerations over which we have no control. The reason that this question is important right now relates to the work of the Banking Committee which is looking at a proposal made by some people to escape this kind of unintended consequence for the Canadian dollar and for Canadian borrowing. The proposal is that Canada adopt the U.S. dollar and thus not be side-swiped by the unintended implications of changes in the international financial market.

Has the honourable senator taken this into account and has he advised his colleagues of the importance of the forthcoming meeting of the Banking Committee on this topic?

**Senator Lynch-Staunton:** As to your last question and without revealing any secrets, Senator Tkachuk, in our caucus, told us about the meeting you will be having in the Banking Committee regarding the dollar and the question of a common currency.

On the general question, I cannot answer the honourable senator directly because I do not have the answer. I can say one thing, though. Foreign borrowings are always dangerous because they are subject to currency fluctuations. When I was involved with the city administration in Montreal, we were very conscious of that, and I assume it is no different elsewhere. We tried to offset the possible devaluation of the currency going the wrong way with the savings we would make on the interest rate. At that time, interest rates abroad were much lower than in Canada. One



would have to examine the mathematics of it, but to answer the question: No, I have not looked into that aspect of it. However, the honourable senator has stimulated my curiosity, and I will look into it.

On motion of Senator Carstairs, for Senator Graham, debate adjourned.

•(1650)

## PRIVILEGES, STANDING RULES AND ORDERS

NORMAL SITTING HOURS OF COMMITTEE—  
REQUEST FOR DETAILS FROM CHAIRMAN—POINT OF ORDER

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, on a point of order, I was hoping to obtain a copy of the blues from today's Question Period. However, I have not yet been successful in obtaining them.

However, it is my recollection that I rose with a question that I put to the Chairman of the Standing Committee on Privileges, Standing Rules and Orders. My question was: At what time does that committee sit? The answer that was given, which I think will be reflected in the blues or in the Hansard of tomorrow, is that the committee sits when the Senate rises on Tuesdays —

Honourable senators, I now have the blues. The question is from the blues at page 1520-7 and is as follows:

**Senator Kinsella:** Honourable senators, my question is for the Chair of the Standing Committee on Privileges, Standing Rules and Orders. Can the honourable senator remind us as to the regular meeting hours of that committee?

**Hon. Shirley Maheu:** Honourable senators, that committee meets when the Senate rises on Tuesdays.

Then, over the name of Gary O'Brien, Clerk of the Committee, there has been circulating, as of 3:43 this afternoon, the document that I have in my hands which states, "Revised. Senate Committee on Privileges, Standing Rules and Orders, Notice of Meeting. Tuesday, March 9, when the Senate rises but not before 6:00 p.m."

We need clarification as to when that committee is meeting. Is it "When the Senate rises" or will it be at 6:00 p.m.? I suppose, since the honourable senator is now in the Chair, she will have to return to her regular place if we are to have an answer from the chair of that committee.

**Hon. Shirley Maheu (The Hon. the Acting Speaker):** Honourable senators, according to rule 55(2), it is not permitted for the Speaker in the Chair to speak on either a point of order or a question of privilege.

**Senator Kinsella:** Honourable senators, the solution is quite simple. I thought I had delicately suggested it a few moments

ago. The solution is for the honourable senator who is presently in the Chair to take her regular seat in the chamber in order to provide members of that committee with some clarification as to when they will meet. Senator Phillips would be happy to take the Chair, I believe.

**The Hon. the Acting Speaker:** Honourable senators, I am presiding and I will not participate in the debate.

I call on Senator Carstairs for the adjournment.

**Hon. John Lynch-Staunton (Leader of the Opposition):** Honourable senators, on a point of order, this is unprecedented. The person sitting in the chair is not even Speaker *pro tempore*. She is here as a senator, and as chairman of the Rules Committee and sitting there only because, at the moment, we do not have a Speaker *pro tempore*.

It is an affront to this place to be told that the honourable senator will not participate in the debate. All she needs do is take her seat and explain to Senator Kinsella and others why we were told that the committee met when the Senate rises on Tuesdays, and then have a notice circulating a few minutes later saying "but no earlier than six o'clock." This is disrupting schedules. It is a question of the proper functioning of committees.

The chairman is the only one who can answer that question and I think she should be graceful enough to agree to reply from her place. If she does not, we will not go to the committee. This is not the way you handle committees, and it is certainly not the way to handle the Senate.

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, perhaps we might resolve this issue by having Senator Corbin take the Chair for just a few minutes.

**Hon. Eymard G. Corbin (The Hon. the Acting Speaker):** Honourable senators, I presume a certain question has been understood and received. In that case, I recognize the Honourable Senator Maheu.

**Hon. Shirley Maheu:** Honourable senators, in the first place I understood the question to be: When does the committee normally sit? I said, "When the Senate rises on Tuesdays." Unfortunately, there was an urgent caucus called for five o'clock and I had to ask the clerk to delay our committee until 6:00 p.m. Senator Lynch-Staunton said that if I refused to get out of the Chair, the committee would be boycotted. All I can say, senator is that it would not be the first time that that particular committee has been boycotted.

If you have any other questions, I will be pleased to answer them.

**Hon. Brenda M. Robertson:** Honourable senators, I should like to ask the chairman of the committee when the committee was boycotted. Please give me the dates, and by whom the committee was boycotted.

**Senator Maheu:** Honourable senators, I will answer that question tomorrow. I do not have the dates in front of me at this particular time. However, I believe the clerk can get that information for me.

**Senator Lynch-Staunton:** You had better retract that statement, then!

**Senator Kinsella:** Honourable senators, this brings us back to the situation that the chairman of the committee, at some point this afternoon, decided that the committee would not meet when she told this house it was supposed to meet because some caucus meeting was taking place. How are we to know there may not be some other, intervening event that, in the judgment of the chairman of the committee, will cause the committee to meet at a different time? Either we will follow the rules of this place or we will end up in anarchy and chaos, which seems to be the direction in which we are heading.

Honourable senators, I would appeal to the chairman of the committee to be in close communication with the members of the steering committee of that committee. My goodness, if the Rules Committee is not following the rules, what committee will follow the rules? It is my understanding that the Rules Committee is deliberating on the rules of this place.

**Senator Meighen:** Would you like a ruling?

**Senator Kinsella:** Perhaps my colleague the Deputy Leader of the Government could bring some clarity and light to the situation.

**Senator Carstairs:** Honourable senators, I do not know if I can bring clarity and light to the situation, but there is nothing in the rules that says when a committee can or will sit. That is done by custom, and "the call of the Chair" is the normal procedure.

In this particular case, the chairman of the committee decided that the committee, which often begins its sittings at six o'clock anyway, since that is when the Senate usually has risen, will sit at six o'clock. It is not particularly unusual to have the committee sit at six o'clock and often it sits till seven o'clock or 7:30. That has been much the custom of this place.

As the chairman indicated, a special meeting of the Liberal caucus has been called for five o'clock this afternoon. We were told that that meeting would last no more than an hour, so the

senator called her meeting for that time, namely, at six o'clock. A number of criticisms have also been made because committees do not sit often enough, and the committee chairman in this case did not want to cancel the meeting. Therefore, she called it for six o'clock.

In the future, I would hope that she would speak with her deputy chairman before the notice went out indicating a change other than the customary procedure.

**Senator Robertson:** Honourable senators, on that point, it would be courteous and helpful if one had more than an hour's notice. The notice was sent at about 3:45 p.m.. That does not allow very much time.

**Senator Carstairs:** Honourable senators, with the greatest of respect to Senator Robertson, none of us knows when the Senate will rise. Perhaps it might rise at six o'clock, only to return at eight o'clock.

**Hon. Colin Kenny:** Honourable senators, it is a custom in this chamber to show courtesy when one side or another has a caucus meeting. The custom and the tradition is to allow for that decision when the caucus meets. In this case, there is —

**Senator Andreychuk:** Cancel the meeting!

**Senator Kenny:** Honourable senators, I heard the Honourable Senator Andreychuk say "cancel the meeting." We would not ask you to cancel a caucus meeting if you had one planned. There have been occasions when both sides have had caucuses and had reasons why they wanted to talk amongst themselves. It is normal when that happens that other business does not go on. It is a courtesy that one side has customarily extended to the other. It is not a requirement, but it is a courtesy that is customarily extended.

**Hon. Norman K. Atkins:** Honourable senators, it was not too long ago when the chairman of that committee called a meeting while we were caucusing on a Wednesday morning. The clerk knows about that because a formal complaint has been lodged.

**The Hon. the Acting Speaker:** Honourable senators, I do not believe the Chair has been called on to solve anything. Therefore, I will ask Senator Carstairs for the adjournment motion.

The Senate adjourned until tomorrow at 2 p.m.

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CANADA

# Debates of the Senate

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36th PARLIAMENT

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OFFICIAL REPORT  
(HANSARD)

Wednesday, March 10, 1999

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THE HONOURABLE GILDAS L. MOLGAT  
SPEAKER





## CONTENTS

(Daily index of proceedings appears at back of this issue.)

## OFFICIAL REPORT

### CORRECTION

**Hon. John B. Stewart:** Honourable senators, I wish to speak to a correction that might be made in Hansard. Yesterday, I was explaining why it was difficult to enact in Canada a statute comparable to the British Provisional Collection of Taxes Act, 1913. The explanation, of course, is that, under the Parliament Act, 1911, the ability of the House of Lords to delay a government tax bill longer than one month was eliminated.

I thought I had explained that clearly, but somewhere a crucial word was left out. What appears in Hansard is the following:

We cannot follow the British example which is based on the law that the House of Lords is able to defeat a tax bill.

Clearly, it should read that the House of Lords is not able to defeat a tax bill.

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## THE SENATE

Wednesday, March 10, 1999

The Senate met at 2:00 p.m., the Speaker in the Chair.

Prayers.

### SENATORS' STATEMENTS

#### HUMAN RIGHTS IN TIBET

FORTIETH ANNIVERSARY OF UPRISING  
AGAINST THE OCCUPYING CHINESE

**Hon. Consiglio Di Nino:** Honourable senators, almost a half century ago, a dark cloud descended over the top of the world. The leadership of the newly formed People's Republic of China decided to annex the peaceful, unprepared and independent country of Tibet. Following the invasion of Tibet by the Chinese army, His Holiness the Dalai Lama, then a very young man, along with his advisors, tried to live with their oppressors. However, the actions of the Chinese army, which included torture, executions, destruction of religious property and a growing presence of troops throughout the country, made this impossible.

Forty years ago today, on March 10, 1959, the Tibetan people once again rose up in defence of their culture, their freedom, their religion and their homeland. This revolt was brutally crushed. Thousands were killed and thousands more maimed. Families were torn apart, schools and monasteries were sacked and burned, and the world stood idly by and watched. In the midst of the turmoil and chaos, His Holiness the Dalai Lama and a group of supporters fled their homeland. With little but their clothes and their faith, they undertook the perilous journey across the Himalayas to India, where they still reside.

In the years since the invasion and occupation of Tibet by the Chinese, hundreds of thousands of Tibetans have been killed, kept in detention and sent to forced labour camps. An official policy of cultural genocide has been instituted. Tibetan is no longer the official language, and systematic Chinese immigration is drowning the local population, in effect making Tibetans a minority in their own country.

Every year, Amnesty International, Asia Watch and similar organizations report new instances of repression and abuse. As well, we are now hearing of massive environmental damage caused by widespread deforestation, and the potential for even greater damage following a decision by the Chinese authorities to dump nuclear waste in Tibet.

All of this is happening in deafening silence. Here in Canada our government says nothing. Our foreign minister speaks of soft power. Our Prime Minister shrugs his shoulders. He claims

Canada is too weak to make a difference. A world away, Tibetans suffer; and wait; and hope.

### THE LATE GERHARD HERZBERG

TRIBUTE

**Hon. Wilbert J. Keon:** Honourable senators, on Wednesday, March 3, 1999, Canadians lost a national hero. Dr. Gerhard Herzberg, Nobel laureate and one of Canada's greatest scientists, passed away at the age of 94.

Dr. Herzberg's brilliant career began under the most dire of circumstances. Becoming the world's leading molecular physicist at age 30, in 1935, he was forced to leave Nazi Germany as a refugee and took up a ten-year professorship at the University of Saskatchewan. After a three-year stint at the University of Chicago, he returned to Canada in 1948 and became the director of the division of physics at the National Research Council.

Dr. Herzberg's main contributions were to the field of atomic and molecular spectroscopy, yet his brilliance and ingenuity applied to all fields. After bringing worldwide recognition to the National Research Council in the 1960s, he won Canada's first Nobel Prize in chemistry in 1971, "for his contributions to the knowledge of electronic structure and geometry of molecules, particularly free radicals."

•(1410)

His discoveries have been broadly applied to study stars and planets, the composition of the upper atmosphere, the structure of small molecules and the origins of cancer.

As his colleagues and admirers have noted, he was a giant in his field. Herzberg saw science as a fundamental aspect of the national character, as important as art, music or literature to a country's identity. He was a staunch advocate of the NRC, resisting its budget decreases and government cutbacks.

Honourable senators, Dr. Herzberg worked relentlessly towards progress in science. He made his latest major discovery of triatomic hydrogen when he was nearly 80. He retired only four years ago from the National Research Council at the age of 90. His intellectual contributions have marked milestones in the world of science and research. His brilliance, kindness and ingenuity have set the standard for all scientists.

Across the country, Canadians have honoured his career through the naming of academic institutions and parks. There is even an asteroid that bears his name. I ask my colleagues in this chamber to join me in commemorating his legacy by offering our condolences to his wife, Monika, and children, Paul and Agnes. Let us continue to develop and support research in science in the spirit of Gerhard Herzberg who believed that, "The sole aim of science is the glory of the human spirit."



## PRIVACY

### ELECTRONIC SURVEILLANCE—CONCERNS EXPRESSED ON RECENTLY PASSED LEGISLATION

**Hon. Jeremiah S. Grafstein:** Honourable senators, yesterday we passed Bill C-51, an omnibus bill, on third reading without debate. Honourable senators, what is an omnibus bill? An omnibus bill is a bill of oversight. In this instance, Bill C-51 amended the Criminal Code, the Controlled Drugs and Substances Act and the Corrections and Conditional Release Act. Each of the dozen or so different provisions were designed to improve the legislative provisions respecting criminal conduct in the criminal justice system.

Bill C-51 covered a number of important public policy issues that required renovation. However, senators will recall that when the Privacy Commissioner attended the Committee of the Whole two weeks ago, in this chamber, I raised the issue of the scope of his mandate. I inquired whether or not the Privacy Commissioner considered it his mandate to review all legislation concerning privacy questions. The Privacy Commissioner advised that this was his intent; however, he added that his mandate under current legislation afforded his office very slender resources.

For the record, we did not have the benefit of the Privacy Commissioner's views on this legislation. Senators will recall that precedent obligates the Senate to consider whether or not legislation conforms to the Constitution and the Charter of Rights and Freedoms. This we did.

As the Privacy Commissioner reminded us, however, the rights of privacy are not included in the Charter of Rights and Freedoms. I believe it is the Senate's responsibility, as a matter of public policy, to negate the growing number of invasive and unnecessary breaches of privacy, hence my recommendation that was included in the report. I quote in part:

The Committee agrees with the proposed amendments...which provide for the judicially-authorized removal of electronic surveillance devices after lawful surveillance has been concluded. The proposed amendments will create certainty with respect to the authorization process, on which the statute is presently silent.

The report goes on to say:

Some members...expressed concerns about the degree of certainty created, however, and the Committee would like to suggest that the Government review this matter in more detail and that it should conduct a policy or legislative review of privacy which includes the subject of electronic surveillance.

Honourable senators, two specific issues might be considered in this context which were not included in the bill. It was noted that while the legislation now provides the basis for removing electronic surveillance devices, it is understood that the police generally seek removal as quickly as feasible after an

investigation is concluded. There is no specific statutory requirement to remove devices that have been installed surreptitiously when they are no longer needed. Consideration might be given to the enactment of such a requirement having regard to the practical requirements of protecting investigative techniques.

It is also noted that while there are detailed provisions setting out the terms and conditions for installing these devices and conducting authorized surveillance, the amendment provides that only the judge or justice who has authorized removal do so pursuant to "...any terms and conditions that the judge considers advisable in the public interest...." Consideration might be given to enacting more specific requirements governing removal, possibly when more is known about the judicial application of the new provisions to actual cases in the future.

Honourable senators, this is not a wholly satisfactory solution to the question of the scope of privacy on this legislation. Obviously, more time should have been allotted to review this omnibus bill to afford all members of the Senate reasonable satisfaction that each particular area of government oversight has been carefully reviewed and deliberately considered by the Senate.

Perhaps we are doing too much, too quickly. For example, Bill C-51 contained amendments respecting gambling definitions and exemptions. The witnesses told us that those provisions were almost incomprehensible, were turgidly drafted and required renovation. We, unfortunately, did not have the time to consider drafting amendments.

I hope that in the future the government will allow the Senate and the other place more time to consider drafting issues, and particularly privacy issues, for such complex legislative matters.

Honourable senators, expediency is not necessarily the handmaiden of effectiveness.

## ROUTINE PROCEEDINGS

### PRIVILEGES, STANDING RULES AND ORDERS

#### NINTH REPORT OF COMMITTEE PRESENTED

**Hon. Shirley Maheu:** Honourable senators, I have the honour to present the ninth report of the Standing Committee on Privileges, Standing Rules and Orders, concerning independent senators.

**The Hon. the Speaker:** Honourable senators, when shall this report be taken into consideration?

**Hon. Marcel Prud'homme:** Now.

**Senator Maheu:** Honourable senators, I move that the report be taken into consideration at the next sitting.

[Translation]

**The Hon. the Speaker:** Honourable senators, it is moved by the Honourable Senator Maheu, seconded by the Honourable Senator Fitzpatrick, that the report be placed on the Orders of the Day for consideration at the next sitting of the Senate. Is it your pleasure, honourable senators, to adopt the motion?

**Senator Prud'homme:** Honourable senators, they say that patience pays off in the end. Can we now be sure that "next sitting" does indeed mean "next sitting"? Otherwise, we could debate the matter today.

**The Hon. the Speaker:** I am sorry, Senator Prud'homme, but the item has been set aside for consideration at the next sitting of the Senate. I thought you had a question to ask. We will hold a debate at the next sitting of the Senate.

On motion of Senator Maheu, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

[English]

## ROYAL ASSENT BILL

### FIRST READING

**Hon. John Lynch-Staunton (Leader of the Opposition):** Honourable senators, I have the honour to present Bill S-26, respecting the declaration of royal assent by the Governor General in the Queen's name to bills passed by the Houses of Parliament.

Bill read first time.

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the second time?

On motion of Senator Lynch-Staunton, bill placed on the Orders of the Day for second reading on Tuesday next, March 16, 1999.

## QUESTION PERIOD

### NATIONAL DEFENCE

#### CLOSING OF CFB CORNWALLIS—REMOVAL OF MEMORIAL WINDOWS FROM ST. GEORGE'S CHAPEL—GOVERNMENT POSITION

**Hon. Gerald J. Comeau:** Honourable senators, my question is for the Leader of the Government in the Senate. During the Liberal closure of CFB Cornwallis, the memorial windows in the St. George's Chapel at that base in Nova Scotia, commemorating the 24 Royal Canadian Navy warships lost in the Battle of the Atlantic, were removed and moved to Halifax, where they were held in storage until they were placed in the chapel at

Shannon Park. The excuse to move them from Cornwallis was that they were to be viewed by an active congregation.

St. George's Chapel, now a military museum, the people of southwestern Nova Scotia and those who served at Cornwallis want the memorial windows returned to Cornwallis, their rightful home.

Will the minister for Nova Scotia go to his cabinet colleagues and see to it that the memorial windows are returned to St. George's Chapel at Cornwallis, their rightful and historical home?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, obviously I will need to carry out some consultation with respect to the disposition of those very important windows. I know that there have been discussions on other occasions with respect to the removal of the windows from St. George's Chapel at CFB Cornwallis. I would be happy to look into the matter and bring forward an answer as soon as possible.

## CORRECTIONAL SERVICE

#### QUOTA SYSTEM ESTABLISHED FOR RELEASE OF INMATES—PROPNESITY FOR REOFFENDING—REQUEST FOR CLARIFICATION OF RECOMMENDATION OF COMMISSIONER

**Hon. Donald H. Oliver:** Honourable senators, yesterday I asked the Leader of the Government in the Senate whether the federal government had instructed federal wardens to increase the number of inmates released by the end of the year. The honourable government leader responded in the negative. I went on to ask whether the government supports the use of a quota system for clearing out Canadian correctional facilities to save money, to which Senator Graham also responded in the negative.

In spite of my honourable colleague's response, I am not convinced that the federal Solicitor General is not pushing for the use of a quota system in clearing out our jails. The evidence to the contrary is far too compelling. I cite as an example a passage from a letter written by Mr. Ole Ingstrup, Commissioner of the Correctional Service of Canada. In his letter of June, 1998, he stated:

An analysis of our incarcerated population and the offenders in the community leads us to believe that about half of our offenders should be in an institution and the other half should be managed in the community.

He goes on to say:

To reach a 50/50 split by the year 2000 will a professional challenge — but not at all unattainable...

Honourable senators, one of two things is happening: Either the federal government does not support the work of its Commissioner of Correctional Service and will ignore Ingstrup's advice, or it will exert pressure on federal wardens to clear out Canadian jails in order to save money, pursuant to the recommendation.

Could the Leader of the Government explain the government's position on the two passages I have just read, in order to clarify the position and the recommendation made by Mr. Ingstrup?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, as I said yesterday, the government does not have a quota system.

**Senator Oliver:** Yesterday, the Leader of the Government stated:

A gradual return of those offenders who are ready to be integrated into the community is the best method of protecting the public, in my opinion.

I am hard pressed to find a person who is against protecting the public good, for obvious reasons. However, can the government leader guarantee that every person let out of jail ahead of schedule under some form of quota system will not reoffend?

**Senator Graham:** Honourable senators, my honourable friend will surely understand that it would be impossible to give such a guarantee. I am surprised that he has even made such a suggestion, particularly as he is a man learned in the law, with vast experience in this particular field.

**Senator Carstairs:** Sounds like a Reformer to me.

**Hon. Terry Stratton:** Honourable senators, I should like to add a comment to the previous question. The Canadian Police Association is aghast at what the government is doing in this regard.

## NATIONAL FINANCE

### REJECTION OF PROPOSED MERGERS OF MAJOR BANKS BY MINISTER—EFFECT ON INTERNATIONAL COMPETITIVENESS OF CANADIAN BANKS—GOVERNMENT POSITION

**Hon. Terry Stratton:** Honourable senators, I should like to talk about credit ratings, as I did yesterday. This time it is with respect to our banks:

The Toronto-based Dominion Bond Rating Service downgraded the long-term debt of the Royal Bank of Canada, the Canadian Imperial Bank of Commerce, the Bank of Montreal, Scotiabank and the Toronto-Dominion Bank...

It would appear that this is all as a result of the rejection of the proposed mergers, and will affect our borrowings, individually and as businesses. Did the Minister of Finance take that into consideration when he rejected these proposals?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, the Minister of Finance, in rejecting the proposals for mergers, took into consideration the interests of Canadians. If my honourable friend took the pulse of Canadians

on this particular matter from coast to coast to coast, he would find that the vast majority of Canadians were not in favour of the bank mergers.

**Senator Stratton:** Honourable senators, the decisions were made for the wrong reasons. Canadians are concerned about the closing of bank branches in small rural towns and villages in our country. If you have that remedy in hand, then you deal with it. Those closings will take place whether we like it or not. They are happening now. If that was the reason in the mind of the Minister of Finance for rejecting these mergers, it was very short-sighted, because it did not accomplish a darned thing.

Did the Minister of Finance take into consideration the effects on our loan rates and on the competition aspects of these banks on the international scene?

**Senator Graham:** Honourable senators, the Minister of Finance always takes matters of that kind into consideration. He has a very realistic view, not only of the banking system in Canada but the banking system worldwide.

Senator Stratton's pessimistic view of closures across the country is not shared by Canadians. As a matter of fact, Canadians generally feared that mergers would result in closures of small banks in small-town Canada.

I must say as well that the banking sector continues to be a very profitable and very healthy sector of our economy. All one has to do is look at the last quarterly reports to see that profits for the five largest banks total \$1.7 billion, an increase of 33 per cent over the previous quarter.

I would ask Senator Stratton to share my optimism about the banking industry, and about the economy in general in our country.

**Senator Stratton:** Honourable senators, I would be remiss if I did not challenge my honourable friend on that point. While that is fine and dandy, he still has not answered the question with respect to international competition. Our banks are very small compared to other banks. If they are to go after the large projects needed to survive in the international markets, they need some clout behind them, and I do not see this happening.

**Senator Graham:** Honourable senators, if the banks merged, they would still be very small on a world scale.

•(1430)

Financial sector reform is a government priority. The desire of the government is to maintain an efficient and internationally competitive financial system. It is for this reason that it established the Mackay task force in 1996, the report of which was examined by the Standing Senate Committee on Banking, Trade and Commerce. In response to the task force report and other public hearings on the matter, the government intends to move as quickly as possible to table legislation that will increase the efficiency, the competitiveness and the strength of this very important sector.



[Translation]

REJECTION OF PROPOSED MERGERS OF MAJOR BANKS  
BY MINISTER—CONSEQUENCES OF BOND RATING AGENCIES  
IN DETERMINING CREDIT RATING—GOVERNMENT POSITION

**Hon. Pierre Claude Nolin:** Honourable senators, I wish to come back to this topic, which was raised by Senator Stratton. The decision by an important Canadian bond rating agency to revise the credit rating of major Canadian banks was based on the decision by the Minister of Finance not to authorize the merger of Canada's four largest banks. Had the Minister of Finance anticipated this reaction by the bond rating agencies when he took his decision?

[English]

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, Mr. Martin does not have a crystal ball. That particular action was taken by the Canadian bond rating service, and could not have been foreseen by the Minister of Finance.

[Translation]

**Senator Nolin:** I presume you will ask the Minister of Finance. While you are at it, why not ask him if we should expect more bad news? The bond rating service's decision is very clear. It was taken because of the Minister of Finance's decision. Can Canadians expect other negative decisions?

[English]

**Senator Graham:** Absolutely not, honourable senators. As a matter of fact, I am very optimistic, as is the Minister of Finance. As you will recall, when this government came to office, the deficit stood at \$42 billion and the debt-to-GDP ratio was exploding. We eliminated the deficit in just four years, much more quickly than anyone expected, including the Canadian bond rating service, and we have set the debt-to-GDP ratio on a steady downward track.

## LEGAL AND CONSTITUTIONAL AFFAIRS

### STATUS OF CRIMINAL CODE AMENDMENT BILL S-7— QUESTION TO CHAIRMAN OF STANDING COMMITTEE

**Hon. Lowell Murray:** Honourable senators, my question is directed to the Honourable Senator Milne in her capacity as chairperson of the Standing Senate Committee on Legal and Constitutional Affairs. My question concerns Bill S-7, a bill which was sponsored by our former colleague Senator Haidasz, received second reading in this place, and was referred to committee in December of 1997.

What is the intention of the committee with regard to this bill?

**Hon. Lorna Milne:** I thank the honourable senator for his question. The Standing Senate Committee on Legal and Constitutional Affairs currently has before it Bill C-40, the Extradition Act; Bill S-7, which Senator Murray has mentioned — Senator Haidasz's private member's bill — Bill S-12, to amend the Criminal Code, abuse of process, sponsored by

Senator Cools; and Bill S-17, to amend the Criminal Code, criminal harassment, sponsored by Senator Oliver. This week and next we intend to conclude our hearings on Bill C-40, the Extradition Act.

Also before us are many miscellaneous statutes we intend to deal with after the Extradition Act. We will then return to Senator Oliver's private member's bill. Senator Cools is prepared to proceed with Bill S-12 after Senator Oliver's bill has been dealt with. Next on our list thereafter is Bill S-7, unless, of course, the government comes up with another bill for us in the meantime.

**Senator Murray:** Honourable senators, I agree that government legislation takes priority, but my friend has read a list of private members' bills that are now before the committee. Do any of those private members' bills predate December 1997? If not, why does Senator Haidasz's Bill S-7 not take priority, at least among the private members' bills before the committee?

**Senator Milne:** Honourable senators, as I am fairly new to this place, I am not entirely sure of the correct procedure but, with the agreement of the steering committee, our committee has always proceeded with private members' bills as soon as possible, given the press of government business, and in the order in which the people sponsoring them wish them to come before us.

Senator Oliver was quite anxious that his bill come before us. We agreed to that and have already started hearings on that bill. Senator Cools wants her bill to come before us when we have dealt with Senator Oliver's bill. As far as I know, there is not yet another sponsor for Senator Haidasz's bill. We are waiting for that.

**Senator Murray:** Honourable senators, I was not aware that another sponsor is required. I had the occasion, as chairman of another standing committee, to deal with one of Senator Haidasz's bills after he retired from the Senate. We called him as a witness and in due course we reported to the Senate.

I believe that I am accurate in saying that the Standing Senate Committee on Legal and Constitutional Affairs has had at least one hearing on Bill S-7, at which they heard Senator Haidasz and perhaps some government officials.

I take it that there is currently no bill before the committee that predates Bill S-7 in terms of referral to committee. I simply urge the committee to deal with the bill, one way or the other, and report it here. The options are to report it without amendment, report it with amendment, or report it with a recommendation that it no longer be proceeded with. I am not sure it requires another sponsor.

There is some public interest in the bill, as I think my friend knows. Some of us have been receiving correspondence from various people who have an interest in this matter.

**Senator Milne:** I thank Senator Murray for his interest. He is quite correct that Senator Haidasz appeared before the committee prior to his retirement, although we have not heard any government officials on this bill. It is on the list, and we will deal with it as soon as possible.

## ORDERS OF THE DAY

### THE ESTIMATES, 1998-99

VOTE 25C OF SUPPLEMENTARY ESTIMATES (C) REFERRED TO  
JOINT COMMITTEE ON OFFICIAL LANGUAGES

**Hon. Sharon Carstairs (Deputy Leader of the Government),** pursuant to notice of March 9, 1999, moved:

That the Standing Joint Committee on Official Languages be authorized to examine the expenditures set out in Privy Council Vote 25c of the Supplementary Estimates (C) for the fiscal year ending March 31, 1999; and

That a Message be sent to the House of Commons to acquaint that House accordingly.

**The Hon. the Speaker:** Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to.

[Translation]

NATIONAL FINANCE COMMITTEE AUTHORIZED  
TO STUDY SUPPLEMENTARY ESTIMATES (C)

**Hon. Sharon Carstairs (Deputy Leader of the Government),** pursuant to notice of March 9, 1999, moved:

That the Standing Senate Committee on National Finance be authorized to examine and report upon the expenditures set out in the Supplementary Estimates (C) for the fiscal year ending March 31, 1999, with the exception of Privy Council Vote 25c.

**The Hon. the Speaker:** Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to.

[English]

●(1440)

### FAMILY VIOLENCE

INQUIRY—DEBATE CONCLUDED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Carstairs calling the attention of the Senate to the magnitude of family violence in our society and, in particular, the need for collaborative efforts to seek solutions to the various aspects of this form of violence.—(Honourable Senator Callbeck)

**Hon. Catherine S. Callbeck:** Honourable senators, I would like to begin this important debate today by thanking Senator Carstairs for her leadership and her dedication to this critical social issue of family violence. Her commitment is strong and exemplary for us all. Her motion has opened the door to a problem which, in the broad national conscience, is often left closed.

The instances of family violence in Canada is not a subject in which we as citizens of one of the greatest countries in the world can take pride. The startling data concerning violence is not widely publicized, nor are the long-term negative implications of its existence for society as a whole well understood; yet I believe that most Canadians do know that it is going on, and that it can be deadly.

It was said long ago that peace in society depends upon peace in the family. Society can never overestimate the terrible toll that family violence takes on all of us. Its presence in our midst is a reminder that too many homes, which should be havens in a heartless world, are instead places in which people, most of them helpless and either very young or very old, live in fear for their lives. Even those of us who are fortunate enough to live free of such violence also pay a price. We pay that price when we must share our community with those who have been taught to hate. The cost is paid in violence against innocent people and, financially, in the need for elaborate safety and justice systems.

As my colleagues Senators Carstairs, Spivak, Robertson and Cohen have already so eloquently indicated, the tentacles of family violence can reach into all parts of our society, showing no deference for income level, culture, sex or mental capacity. It is occurring in our neighbourhoods, with our friends, our co-workers and sometimes within our own families. It is very real and its existence is documented every year in the thousands of hospital emergency room files, distress centre phone calls, court cases and police 911 reports that follow in its wake.

In my home province of Prince Edward Island during one year alone there were 6,845 calls received by Transition House Association; 1,201 calls received by the Child Abuse Line; and 757 new cases opened by Victims Services, of which 108 were sexual abuse cases, 242 wife abuse cases, and 46 other family abuse cases. There were 207 domestic violence police cases in which children were witnesses; and 130 women and 159 children seeking physical safety and shelter.

These stark numbers reflect some of the known violence against children, spouses and seniors in one province. A simple multiple of 12 will begin to give us a picture of its pervasiveness across Canada's other provinces and territories. However, even that may not be fully accurate given the number of unreported cases officials and various agencies believe exist. In child abuse cases alone, for example, we do know that there has been a dramatic increase over the last decade in both the number of reports of suspected abuse and neglect, as well as the number of children found to be in need of protection. These are for the reported cases only. How many go unreported or are inadvertently missed by professionals, we do not know.

Clearly, we have a societal problem that is tangible, pervasive and part of the community in which each of us lives. In many ways, it is like having a deadly, untamed animal sitting under our national table. We know it is there, silently lurking and that it is taking innocent victims, but we are not sure about how we will go about getting it out and trapping it. Thus far, we have not been successful. It has been sitting there for a long time, too — for generations, we are finding out — which is one of the most troubling aspects. Consider, for instance, that the majority of inmates in our penitentiaries today were themselves the victims of violence and abuse in their own homes. Some 80 per cent of women in Canada's prisons suffered physical or sexual abuse as children and as adults. Sixty per cent of men in Canada's prisons have been physically or sexually abused, usually in their childhood. In short, generally, the abused have become the abusers, perpetuating the only family lifestyle they have probably ever known.

This snowball effect is one of the most difficult and frustrating parts of the family violence problem. Its punitive, repetitive cycle within the family dynamic has been powerful and unrelenting, rolling from generation to generation, from mothers and fathers, to sons and daughters, to grandchildren. Slowing, or even stopping, its progress within families is a huge task, particularly when issues of privacy and personal rights are factored into these efforts.

The problem is also more than a simple matter of a few disturbed individuals within our society who need new or more effective techniques for anger control and sex therapy. Their actions stem from a culture which we now know for a fact has tolerated incest, child abuse and spousal battering for years and years. Many of the perpetrators, as I have said, are simply relaying the only behaviour and coping mechanisms they know. Few, if any, have had positive nurturing family situations to serve as models.

As a society, we have been very cautious about intervening in these clearly dangerous situations, except when asked by a victim, or when the evidence of harm was blatant. Even then, the legal and financial resources available for effective intervention are often inadequate for ensuring a long-term safe solution for the individuals involved. Only last week, I was told about a couple living in an apartment building in this city who were having terrible fights that took place at all hours of the day and night. In the background, a 1-year-old child would always be heard wailing. The tenants complained, the landlord threatened eviction, and the police came and went without being able to lay charges. Everyone felt helpless. After a particularly bad commotion, they packed up and left, last Friday at midnight. No one knows where, they have just gone.

• (1450)

That is a sad example of a family in crisis. We worry for the child's safety and that of either spouse. We wonder how the young baby or other siblings may in the future treat their children or spouse. We know, without any doubt, that this is not an isolated incident in one city in Canada.

Thankfully, more and more caring people and organizations in this country are speaking out and taking on this societal challenge with spirit, determination and candour. Their work is tireless, and the strides they are making in creating awareness, in providing shelter for violence victims, in raising funds for research, and in instigating prevention programs serve as beacons for us all. It is incredibly difficult work, though, with success rates that continue to be eclipsed by the number of victims needing help.

That is why this inquiry is so important. It says that we, as honourable senators, men and women alike, from whatever region or political affiliation, want to open the doors on this powerful and destructive problem, and to help bring about change. It also enables us to provide our collective support, on a national level, to the efforts that communities, social agencies, foundations, governments, and very special individuals are already making — trying to break the generational cycle of violence which is so evident.

Honourable senators, I think it is important to make brief mention of some of the ongoing efforts, and to recognize but a few of the truly innovative approaches being used.

There are now five research centres on family violence in this country. They are working together to share information, training and scientific inquiry for the most effective impact. I want to commend Senator Carstairs for her leadership in, and support for, one of these centres at the University of Manitoba.

Revamped legal mechanisms, such as special courts, prosecutors and a variety of other creative judicial approaches, are also being put in place in many provinces. The RCMP and local police forces are broadening their community outreach and being trained as effective response mechanisms. We have a network of transition houses and shelters from coast to coast. In aboriginal and other diverse communities, approaches that are culturally appropriate and compatible are being tried. In prisons, inmates who have been either victims or perpetrators, or both, of family violence are involved in education, and in parenting and lifestyle training programs. Partnerships of health, community, and social workers are establishing treatment and prevention programs against rape, incest and sexual assault. Various levels of government are also involved in supporting, if not leading, many of these efforts.

Our renewed federal government commitment to the reduction of family violence has come from the present government with the injection of an additional \$7 million for its family violence initiative. This broad-based, multi-department strategy is aimed at increasing public awareness and public involvement, and at finding family violence solutions. It helps strengthen the ability of the criminal justice and housing systems to respond, and it backs research and evaluation efforts to identify effective interventions.

At the provincial level, we are seeing similar government response and commitment. In my own province of Prince Edward Island, we have underway a five-year strategy to combat family violence. It is a collaborative response by government and the community to address violence within Island



families and to build on the hard work of Island communities over the past two decades. A key element of this initiative has been the establishment of the Premier's Action Committee composed of 16 community and seven government representatives.

Through this committee's leadership, and that of its chairperson, the Honourable Marion Reid, resources have been directed to the Transition House Association for front-line workers, the Prince Edward Island Rape/Sexual Assault Centre, which continues to provide invaluable support services. In addition, extensive public education and awareness efforts have been undertaken. These have included resource guides, as well as exciting new programs aimed at lawyers and other justice system professionals who may never have received relevant family violence training.

**The Hon. the Speaker:** Honourable Senator Callbeck, I regret to have to interrupt you, but the 15-minute period has elapsed. Are you requesting leave to continue?

**Senator Callbeck:** Yes, please. I am almost finished.

**The Hon. the Speaker:** Is leave granted, honourable senators?

**Hon. Senators:** Agreed.

**Senator Callbeck:** Thank you, honourable senators.

Indeed, the committee's work has recently been singled out as an example of best practice in partnerships against family violence by a national publication of the federal, provincial and territorial ministers responsible for the status of women. I want to thank publicly the chairperson, the members and the staff of the committee for their valuable contribution to the solutions we are seeking to this important social problem.

I also want to recognize today the front-line workers from coast to coast in Canada, working in distress centres, hospitals, police stations, schools, prisons, and social service agencies. Day in and day out, they are the ones who quietly and compassionately pick up the pieces in the aftermath of family violence. Yet, in spite of all the tremendous efforts underway today, and the headway being made on so many of these fronts, clearly there is still a long way to go. At times, the steps forward can seem very small. Such lack of significant progress is puzzling and frustrating.

Perhaps it stems from the absence of a truly national will in Canada to take on what many still seem to see as someone else's problem. Perhaps there is a fear in our society of making too visible a statement in support of every individual's right to protection and safety of self, as firmly enshrined in the Canadian Charter of Rights and Freedoms, lest it somehow restrict or interfere with our lives. Or perhaps there is still not full recognition of the terrible price others in society may end up paying when violence occurs in someone else's home or family.

It seems strange, honourable senators, that, as citizens, we can often be so vocal and so effective at stopping a highway from being built or people from smoking almost anywhere, and yet we

are unable to muster broad-based, collective action against the much more destructive impact brought on communities by family violence.

Every member in this place, I believe, is in a position to become involved in helping to create greater awareness and concern, to reduce complacency, and to form a stronger national will to remove family violence from the fabric of our society. As members of our national representative body, we are also able to give stewardship in not only helping to tear down the walls of silence surrounding this issue, to bring it out in the open, but also in raising society's consciousness of its pervasiveness, its innocent victims and its damage on a broader social scale.

Each of us can and must join as active participants in charting even more effective and concerted strategies against family violence. We can and we must become a voice for the vulnerable, the fragile victims who are unable to speak for themselves. We can and we must become a voice for peace in our families.

**The Hon. the Speaker:** If no other honourable senator wishes to speak, this inquiry shall be considered debated.

[Translation]

## INTERNATIONAL WOMEN'S WEEK

### PARTICIPATION OF WOMEN IN LEGISLATIVE INSTITUTIONS— INQUIRY—DEBATE ADJOURNED

**Hon. Serge Joyal,** having given notice on Thursday, March 4, 1999:

That he will call the attention of the Senate to International Women's Week, and to the participation of women in the legislative institutions of Canada, at the federal and provincial level, and particularly in the Senate of Canada.

He said: Honourable senators, Monday, March 8 was the day set aside worldwide to reflect on women's status in our society. This is International Women's Week. I would like to direct your attention today to one specific aspect of the participation of women in public life in Canada, namely their involvement in the provincial legislative assemblies and in the Parliament of Canada, and in particular their prospects for the future.

I have selected this aspect because I am told that the Senate of Canada has made the greatest advances in the past five years and, if the political will continues to be asserted as clearly, in the short term we could end up as the first chamber in the country, in the world perhaps, with male-female parity at last.

It is now more than 29 years since publication of the recommendations of the 1970 Royal Commission on the Status of Women in Canada, or the Bird commission, bearing the name of Senator Florence Bird, on women's participation in the political process. Its main recommendation, I would remind you, is contained in chapter 7, page 341, as recommendation 28. It reads as follows:

[English]

I quote:

There are a number of possible mechanisms. We propose one. Therefore, we recommend that two qualified women from each province be summoned to the Senate as seats become vacant, and that women continue to be summoned until a more equitable membership is achieved.

[Translation]

What point are we at on the eve of the millennium? Before we take a closer look at Canada, let us take a minute to consider the place of women in Parliaments around the world comparable to our own. I take this information from the *Atlas des femmes dans le monde*, published by Éditions Autrement in 1995 and recently updated.

First off, one point. In not one single Parliament around the world, after 4,000 years of civilization, have women achieved parity. The countries where they have been most successful in achieving it include Sweden, at 40 per cent; Norway, at 39.4 per cent and Denmark, at 33 per cent. Next come Germany, with 26.2 per cent; Austria, with 23.5 per cent; Canada, with 19.9 per cent; Great Britain with 18.2 per cent; the United States and Italy, with 11 per cent; France, with 6.4 per cent and Japan, with 2.7 per cent.

In other words, Canada is half as successful as Sweden and almost twice as successful as the United States. We are therefore in the middle, neither the best nor the worst.

But is that enough? In fact, Madam Justice Claire L'Heureux-Dubé of the Supreme Court said the following on Monday:

[English]

I quote:

...many Third World nations look to Canada as a moral leader in matters of gender equality and preventing violence against women.

[Translation]

Moreover, in 1982 we enshrined in our constitutional law the Charter of Rights and Freedoms, a fundamental law that clearly proclaims gender equality in section 28. I would like to quote this section from the Charter, because it is the cornerstone of our whole Canadian system.

[English]

Section 28 reads:

Notwithstanding anything in this Charter, the rights and freedoms referred to in it are guaranteed equally to male and female persons.

[Translation]

In addition, we have included in section 15 an "equality rights" clause, subsection 2 of which recognizes affirmative action measures to improve the conditions of individuals who are disadvantaged because of, among other things, their sex, their race or their ethnic origin. I quote:

(2) Subsection (1) does not preclude any law, program or activity that has as its object the amelioration of conditions of disadvantaged individuals or groups including those that are disadvantaged because of race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

This is a wonderful piece of legislation from 1982 that distinguishes us very clearly from France, where such a measure would be ruled unconstitutional by the French courts, or the United States, whose Constitution does not recognize the formal equality of the sexes.

Our system of constitutional law should therefore have enabled us to make much more rapid progress than we have done in the past 17 years. Although mentalities have evolved and the image of women in politics has become familiar to a great many of us, there is, in fact, a myth that I think it important to denounce. The myth is that progress is ongoing, that we are constantly and naturally evolving and that, one day, we know not when, parity or the presence of women and men in more or less equal numbers will be achieved.

Honourable senators, this is a myth fed by contented consciences. As Professor Manon Tremblay, a researcher at the University of Ottawa, said last week, and I quote:

We must stop thinking that each election will deliver a fresh new crop of women. This was not the case in Quebec until quite recently, and it is not the case in Ontario, where the number of women has decreased.

Let us look for a moment at the numbers in provincial legislative assemblies and in the House of Commons, so-called democratically elected assemblies, the representativeness of which is certainly debatable with respect to the presence of women.

Let us begin with Ontario, the province with the highest population. Ontario has 18 women MLAs out of a total of 130, or 13.8 per cent. This is lower than in 1987, when there were 19, or 14.7 per cent. In Quebec, there are 29 women out of a total of 125 seats in the National Assembly, or 23 per cent. Ten years ago, the total was 21, or 16.8 per cent of the total. Manitoba has 11 women out of 56, or 19.6 per cent. Ten years ago, the figure was 12.3 per cent. The situation in the Maritimes is not much better, very close to the figures for Ontario. New Brunswick has 7 women out of a total of 55, or 12.7 per cent. Nova Scotia has 7 out of a total of 52, or 13.5 per cent. Prince Edward Island has 4 out of 27, or 14.8 per cent, and Newfoundland 9 out of 48, or 18.8 per cent.

It can be seen that, 30 years later, we are still far from having parity in the provincial legislative assemblies. In at least five of them, one could describe the situation as stagnant, while in the others it is progressing very little, if not downright imperceptibly.

We are certainly far from being on an ongoing growth curve. The figures have come up against a kind of glass ceiling, and women's representation is stagnating at around 20 per cent or 25 per cent. There is a barrier at that point, beyond which progress seems impossible.

What about Canada's Parliament? Let us look at the elected House, the House of Commons. At the moment, 62 women have been elected in a total of 301 seats. That represents 20.6 per cent. In 1993, there were 53 women, or 18 per cent. I will not spend time on women's representation by political party. There are interesting conclusions to be drawn here too. However, I do not have enough time today.

I would mention that the Reform Party, which describes our house, the Senate, as undemocratic, has three women for the 59 seats it holds, or 5 per cent. It certainly is not representative of the population it claims to speak for.

And what about the Senate? There are 31 women in the Senate, for 104, soon to be 105, seats, or 30 per cent. This figure is higher than that of any other legislative assembly in Canada, provincial or federal.

The Senate is a house whose members are appointed. Let us consider the source of this result, which is more encouraging than what we see in other elected assemblies in Canada.

Following the Bird report in 1970, in 16 years, Prime Minister Trudeau appointed 81 senators, including 12 women, representing 14.8 per cent of the appointments. In 9 years, Prime Minister Mulroney appointed 57 senators, including 13 women, who represented 22.8 per cent of the appointments. In less than 6 years, Prime Minister Chrétien appointed 31 senators, including 18 women, who represented 58.1 per cent of the appointments.

This is by far the most significant reform to the composition of our house since the retirement age was reduced to 75 in 1965 by Prime Minister Pearson.

I should underscore the effort and the deliberate choices made by the current prime minister in an effort to apply the principle of parity in our Senate appointments.

Might we expect that, through the appointment of women, we may someday in this house achieve what has never been achieved in a democratic Parliament, namely parity between men and women?

[English]

•(1510)

Let us consider what can result from the implementation of the principle of parity in the appointments of senators in the next six calendar years, that is, through year 2005. Let us assume that the

Prime Minister appoints women in equal numbers to men. If six out of the 11 vacancies occurring this year are filled by women, then we have 34 women out of a total of 105 seats.

In addition to the 11 seats to be filled this year, there will be a total of 28 vacancies over the next six years. Of those who retire during that period, eight are women. Assuming that we have 34 women at the end of this year, of which we lose eight over the next six years, and the next 28 vacancies are filled by 14 women and 14 men, the number of women in the Senate would rise to 40 by November 14, 2005, or 38 per cent of the seats.

In 2006, five more of the current members will retire, of which two are women. Assuming that three women and two men replace them, the seats occupied by women would increase to 41, or 39 per cent of the seats.

Following this method, we get the following results for subsequent years: In the year 2010, giving 48 seats to women would bring the percentage of women to 45.7 per cent. It would not be until 2013 that we would have 53 seats filled by women, that is 50.47 per cent, and thus reach parity.

All this assumes that the then prime minister will continue to appoint women in equal numbers to men, but favouring women whenever there is an odd number to appoint. If a decision were taken to weight appointments more in favour of women, of course parity would be achieved even sooner.

I should like to remind honourable senators that if the rate of replacement is maintained in the way we have it now, we will need to wait until 2013 to have parity in this chamber.

[Translation]

In other words, at the end of the next mandate of the Government of Canada, with this hypothesis, we would have 40 women in the Senate, or 38 per cent of the seats.

Honourable senators, the conclusion is self-evident. Barring a clearly expressed political will, one which is implemented at every opportunity, we will not be able to reach parity within 10 years, with this best case scenario. In other words, 40 years after the Bird report, we would have to have the best case scenario just to attain parity in this chamber where the members are appointed.

What about the House of Commons, the other chamber, or the other arm of our Parliament? How can we manage to eliminate or reduce the exclusion of women from the political process, or to put it another, better way, to eliminate the democratic deficit a significant lack of women in the legislative process of this country represents?

I refer you to the excellent report by the Interparliamentary Union in August 1998, in other words last summer. Its title is:

[English]

"From Rhetoric to Reality: Women's Political Participation, Accountability and Leadership."



[Translation]

First, we have to admit that our voting or electoral system, uninominal with a single ballot, is more likely to perpetuate the systemic discrimination against women. I could put the question another way. What electoral system would be more open to the presence of women in the elected House?

Honourable senators, I would submit that our electoral system should be re-evaluated in the broader context of the representation of women, minorities and the regions. In fact, Great Britain just finished a study chaired by Lord Jenkins on October 29, 1998 — barely a few months ago — entitled "Report of the Independence Commission on the Voting System."

With 17 recommendations, the report concluded in favour of the adoption of an electoral system that is both uninominal and proportional. This is the conclusion proposed by the Interparliamentary Union in August 1998, or one similar to it.

[English]

The Inter-Parliamentary Union's world inquiries lead one to be rather prudent, but it seems safe to state that the proportional system is the most conducive to the election of women, provided that a number of safeguards are applied, and they are: First, including at least a given percentage of women in each electoral list; second, including women in an elected position in every closed list; third, alternating between women and men in every list; fourth, establishing that a certain percentage of lists will be headed by women.

There is no doubt that, beyond the electoral system, there is the political will of the leadership of national parties. The gender culture of each party is at stake.

[Translation]

**The Hon. the Speaker:** I regret to inform the honourable senator that his time has expired. Honourable senators, is leave granted for him to continue?

**Hon. Senators:** Agreed.

**Senator Joyal:** What fundamental changes are our political parties prepared to introduce to eliminate the systematic discrimination of our electoral culture against women?

Are the parties prepared to commit to a relatively equal number of women and men in general elections, particularly in those ridings where they stand a reasonable chance of success? These are questions our colleagues in the other chamber must consider if their so-called democratic body is to be as representative as ours.

As we mark International Women's Week, let us not wait for the eve of an election, or an election year, to believe that we can undo 4,000 years of systematic exclusion of women from the corridors of political power. Those who tell us they are motivated by a great desire to democratize our political institutions should spend the same amount of time amending the composition of the elected chamber as they spend attacking the one that is

appointed, for it is the latter that is on a very clear course towards greater equality, and that will achieve its goal in the foreseeable future.

[English]

**Hon. John G. Bryden:** I wonder if perhaps Senator Joyal would entertain a question?

**Senator Joyal:** With pleasure.

**Senator Bryden:** Honourable senators, I do not wish to enter into the debate about proportional representation as a method of evening up the numbers. That has its problems too, like trying to keep a government in power long enough in order to do something.

•(1520)

In Canada, we have one Parliament, albeit two Houses. In order to balance the numbers more quickly, perhaps one of the Houses of Parliament which we can do something about, namely the Senate, for a reasonable period of time in the future should simply appoint women. That would eventually put us in the position where the Parliament of Canada would have 105 plus the 35, which would come much closer to a balance. I think that would have some interesting implications. Has my honourable friend considered that possibility?

**Senator Joyal:** Honourable senators, the honourable senator is suggesting drastic reform to the way appointments are made. I pointed out that the present Prime Minister, in all his wisdom, has appointed an equal number of men and women. In fact, he has appointed more women because he used the odd number for women. That is why 58 per cent of the appointments to this chamber have been female senators. In order to change that pattern, the will of the Prime Minister should be stated clearly, that until parity is reached in this house, women only will be appointed. This is the opportunity the Prime Minister has at hand.

On the other hand, we must consider the result we want to achieve, which is a fair balance. I hope all senators understand that a fair balance means minus 5 per cent on one side or the other. The numbers float, and we must take that into account. The present course of action, which is appointing an equal number of men and women, has its limits in terms of a time frame. We would have to wait until 2013. I do not know how many of us will still be in this house in the year 2013.

There are limits to the present process of appointment. The point I wish to stress is that, fundamentally, this is a question of political will. If the political will exists, there are many things my honourable colleagues are ready to accept, which is essentially a greater number of women in this house. As long as the other House produces other results in terms of sex or gender parity, I think this house could be a model of representation as far as gender and the issues of minority and regional representation are concerned. We already have entrenched regional representation. We need a better balance of gender, and I am quite sure the Prime Minister is aware of that. We can see by the appointment that he has made that more are going to women. Therefore, we

can expect more female appointments. I do not say that in any critical way, shape or form. However, I merely wish to outline to honourable senators that if we maintain this course of action, it will take still another 16 years before we reach a fair parity.

**Senator Grafstein:** Without the intervention of God.

**Senator Joyal:** Yes. We all pray to God each day when we open our sitting, honourable senators. Sometimes he listens to us and sometimes he does not.

**Senator Carstairs:** She listens.

**Senator Joyal:** Honourable senators, we are all preoccupied with the credibility of this institution in which we work daily. Mind you, if this house becomes the only House of Parliament in Canada where gender parity is reached, many people will think twice before abolishing it. They would say that the Senate is at least a place where equality exists in our land. Let us hope for that outcome.

**The Hon. the Speaker:** Honourable senators, I cannot resist the opportunity to say that the Province of Manitoba was the first to reach parity. Manitoba is represented in the Senate by three female senators and three male senators.

On motion of Senator Pépin, debate adjourned.

## THE BUDGET 1999

### STATEMENT OF MINISTER OF FINANCE—INQUIRY— DEBATE CONTINUED

Leave having been given to revert to Inquiry No. 61:

On the Order:

Resuming debate on the inquiry of the Honourable Senator Lynch-Staunton calling the attention of the Senate to the Budget presented by the Minister of Finance in the House of Commons on February 16, 1999.—(*Honourable Senator Graham, P.C.*)

**Hon. Erminie J. Cohen:** Honourable senators, I wish to thank my colleague Senator Joyal for his excellent presentation on the role of women in politics and the direction we should all be taking. It is very refreshing to hear these words from a male colleague. I say welcome aboard and bravo!

Honourable senators, I have said it before and I will say it again: Too many of our neighbours live in poverty. The problem is moving beyond the reach of traditional responses and calls for new thinking, creative imagination and action. The progress against poverty achieved in the 1950s, 1960s and early 1970s has stalled since 1975. This is in spite of a better-educated work force, and substantial economic and employment growth.

Two of the more visible symptoms are homelessness and food banks. This budget did not deal with homelessness. It did nothing to end the need for food banks. It did nothing to reduce the gap

between rich and poor in this country. It did nothing to fix the way the tax system whacks low- and modest-income working Canadians.

Honourable senators, last month the Toronto Food Bank marked its fifteenth anniversary. Food banks were supposed to be a temporary solution provided by concerned volunteers. Instead, they have become a growth industry.

A dozen years ago *The Toronto Star* noted the following in a February 9, 1987, editorial:

Food banks, started as stop gap measures during the recession of the early '80s, have become a secondary form of welfare and a cheap way out for governments.

But, as long as there are people willing to contribute food, and agencies willing to distribute it, the federal and provincial governments escape the pressure to deal with the root causes of poverty: high unemployment, inadequate welfare payments and the critical shortage of affordable housing.

Honourable senators, those same words from 1987 could have been written in any newspaper today.

Sue Cox, Executive Director of the Toronto Food Bank, writes in a *Toronto Star* op-ed article on February 24 of this year:

...But a new federal budget touted as a "health care" budget ignores the relationship between adequate nutritious food and poor health outcomes. There is nothing there for the poorest of the poor.

Honourable senators, Ms Cox is also quoted in a separate article in the same paper that same day as saying:

When you look at our history, the sad thing is that year after year, you can see every government and every political party make decisions that made the situation worse.

Honourable senators, do you not agree that it is time to start making decisions that will make the situation better? With our nation's finances in order, this budget is the place to start.

Honourable senators, allow me to turn my attention to another area where this budget has failed those most in need, that of housing.

●(1530)

Honourable senators, listen to the words of the Finance minister, who said:

The housing crisis is growing at an alarming rate, and the government sits there and does nothing.

Honourable senators, it is obvious that I am not reading from this year's budget; nor am I reading from any of his previous budgets. I am quoting Paul Martin's introductory words to the report of the 1990 Liberal Caucus Task Force on Housing. Let me repeat them once more:

The housing crisis is growing at an alarming rate, and the government sits there and does nothing.

Mr. Martin was upset about cuts to housing programs made in an era where a serious deficit problem drove the government to take serious restraint measures. Yet, in spite of his outrage, he did nothing to restore those programs, not in his first budget, nor in his second, his third, his fourth, his fifth, and not now in his sixth budget.

A few days after the budget, and a few blocks from Parliament Hill, Lynn Maureen Bluecloud, a 33-year-old homeless, five-month pregnant aboriginal woman was found dead in a small park at the corner of Nicholas Street and Laurier Avenue. The cause of death was hypothermia. Ms Bluecloud had a substance abuse problem. As a result, I suppose some may dismiss this as not being a housing problem but a drug problem. However, it is rare for anyone to sleep on the streets or in the bushes by choice.

Whether or not substance abuse is involved, in virtually all cases of homelessness the problem comes back to a lack of affordable housing and adequate response mechanisms. The problem of homelessness is real, yet this government is doing nothing to address it. These are people living at the edge of society who sleep on the streets, crowd into hostels, and raise their families in rundown hotels.

Two months ago, the City of Toronto's Golden report urged the federal government to set up a \$300-million fund to encourage the construction of new low-income housing. It also made several recommendations in areas such as land costs and property taxes.

Honourable senators, I commend to you an article by David Lewis Stein that appeared in the February 24 edition of *The Toronto Star*. Under the title, "Wanted: Real Solutions to Blight of Homelessness," Mr. Stein describes one individual's personal housing crisis in Oshawa. He wrote:

It is five o'clock and homeless men are getting a hot supper. Daniel, a graying 41-year-old labourer, explains why he can't make it on the \$520 a month welfare allows a single person:

A room costs \$325, maybe \$350 and most times there's no hotplate or refrigerator, so you have to eat in restaurants and you've only got \$200 a month for food. What happens if you want to get your clothes cleaned? It costs \$3 to do a load at the Laundromat. But how can you look for a job if you don't have clean clothes? You feel cut off from the world.

Mr. Stein continued:

So what is to be done? Homelessness has brought inspiring displays of idealism.

John Andres, a young, passionate investment counsellor, started Project Warmth three years ago. This year, he expects to hand out 30,000 sleeping bags to the homeless.

Think about it, honourable senators: Thirty thousand sleeping bags means 30,000 people in need of shelter.

He went on to state:

But ending homelessness needs more than compassion. It requires even more than gestures from federal and provincial politicians...it means a change in thinking.

Finally, Mr. Stein cites Keith Ward, the Peel Housing Commissioner, as saying:

When people are in poor housing, their health suffers. When children are in poor housing, their education suffers. What we are creating here is a nightmare.

Honourable senators, I am not the only one to question the budget's failure to deal with homelessness. *The Toronto Star*, long known for its unwavering support of the government party, stated in a February 19 editorial:

The homeless deserved to be a part of the Liberal government's budget. But they were scarcely a footnote. That's more than a disappointment. It's a disgrace.

The article went on to state:

A Toronto task force set out sensible steps that each level of government could take to boost the stock of affordable housing. Its suggestions for Ottawa included giving GST rebates to the builders of low-cost housing and making federal land in the city available for such developments.

The Liberal government could have acted on these ideas and sent a signal to the provinces and the private sector that current levels of homelessness are unacceptable.

Instead, it offered empty expressions of concern. As the expression goes, "they talked the talk, but didn't walk the walk."

Since the budget, Liberal M.P.s have been falling over themselves to say they're not blind to this serious social problem.

Given the scant attention they gave the issue in their budget, their words ring hollow.

Rhetoric and sentiment don't help the homeless. Money and action do. The Liberal government has provided neither. For that, it should be ashamed.

The reason that many Canadians have trouble feeding and housing themselves and their families is that they have inadequate incomes. The tax system is not doing enough to help. Inflation is slowly but surely eating away at the tax benefits now delivered to low-income Canadians. With the nation's finance now in surplus, the time has come to fully index the tax system to the cost of living.



Consider, for example, the Goods and Services Tax Credit. It was introduced in 1991 to ensure that low-income earners paid no more in tax after the GST took effect than they did before. Back then, it was worth \$190 per adult and \$100 per dependent. Today, its value is \$199 per adult and \$105 per dependent, or about 5 per cent more than in 1991. However, the problem is that the cost of living has gone up by about 10 per cent since 1991.

Inflation is eating away at the value of this credit. The amount is not big, honourable senators, but surely this government can do better than "nickel and dime" its poorest citizens. Perhaps it is also time not just to restore full indexing but to take a serious look at expanding the available benefits.

I will provide another example of why we need to restore full indexation. The government is making much out of this year's modest improvement to the Canada Child Tax Benefit, which I agree was a positive step. However, when it is fully in force two years from now, the higher clawback threshold will reduce tax revenues by \$300 million. Put another way, modest-income earners will be \$300 million further ahead. So far, so good.

Yet, last fall, in his Economic and Fiscal Update, the Minister of Finance told us that fully indexing the Canada Child Tax Credit Benefit to inflation would provide additional benefits of \$325 million after two years — \$300 million from this budget, less \$325 million from inflation, is minus \$25 million. In other words, two years from now, the child tax benefit system will be delivering \$25 million less in total to low- and modest-income families than it would if the value of the credit and if the clawback thresholds were fully indexed to inflation.

There are other ways in which the tax system needs to be changed to help low- and modest-income earners. The basic personal amount has been increased by \$675, and that is good news. The bad news is that Canada still collects income taxes from people earning little more than \$7,000 a year. Low-income Canadians are still taxed sooner than the poor in most western countries, and pay as much as 60 cents on the dollar in taxes and lost benefits. That exceeds the marginal tax rate on upper-income Canadians. If, as we are constantly being told, high marginal tax rates on those earning more than \$60,000 are a major disincentive to earn income in Canada, then what shall we make of what are, in effect, even higher marginal tax rates for those earning half of that amount?

Then we have employment insurance premiums, which are basically a flat tax on the first \$39,000 of income. Again, we have the Minister of Finance "nickelling and diming" those who can least afford it. The government is taking \$2.55 from Canadians for every \$100 they earn, even though it only needs \$2 to run the program. For someone earning \$20,000 per year, net of taxes, the government is taking away about \$75 more than it needs to run the program.

Honourable senators, again, this budget does not address some very real fundamental problems.

Before I close, I want to mention briefly a task force I will be co-chairing with Diane St. Jacques, the member for Shefford in the other place. Our colleague Senator Lavoie-Roux has agreed

to be part of this task force, as have Jean Dubé and Norman Doyle of the other place.

•(1540)

Our task force will look into the causes of poverty, the nature of poverty, homelessness, and the health issues that surround homelessness and poverty. We will also look at the effectiveness of current social programs.

The traditional responses, honourable senators, are not working as they should. We need responses that work, and it is time that we found them.

On motion of Senator Carstairs, for Senator Graham, debate adjourned.

## ENLISTMENT INTO ROYAL CANADIAN NAVY

### THE BLACK EXPERIENCE—INQUIRY

Leave having been given to revert to Inquiry No. 62:

**Hon. Calvin Woodrow Ruck** rose pursuant to notice of March 2, 1999:

That he will call the attention of the Senate to the Black Experience with respect to enlistment into the Royal Canadian Navy.

He said: Honourable senators, please bear with me. As the white cane indicates, I am a legally blind person. Also, on occasion, I suffer from memory loss. I thank you for staying around for my speech. It has been a long session and I will try to be as brief as possible.

Let us go back in time a bit. The era I am talking about is a bit prior to World War I. The year is 1910. The government of Sir Wilfrid Laurier, in common with people throughout the world, is preparing for World War I. One of the first steps, according to what I have read in the history, is with respect to the naval service. It appeared at that point in time that Canada did not possess a navy, so the government of Sir Wilfrid Laurier passed an act creating, at least on paper, a branch of the service we once proudly referred to as the Royal Canadian Navy.

Let us go a little further along on the agenda, with respect to the rules and regulations which were brought in not too long after the act was passed. The first clause of the rules and regulations states explicitly that all recruits must be members of the white race.

When I first read that, my mind reverted back to my days in school, probably at the elementary level, and I got to wondering, if I had been in the classroom when that passage was read to the students, what impact that may have had on me and other minority persons. Minority persons in Canada include, of course, our First Nations people. That act also excluded them by stating that all recruits were to be members of the white race. It also excluded citizens of Japanese or Chinese descent and also

members of the black community, which has a long history in Canada. Our presence in Canada goes back to approximately the 1500s or 1600s. We have been here for a long time.

That act was not seriously challenged until many years later. Obviously, the powers that be saw nothing wrong with that clause stating that all recruits must be members of the white race, because, many years later, when World War II started, again people from minority groups flocked to recruiting stations and, in many cases, were turned away. The act itself was not seriously challenged until 1942 while World War II was spreading over the world.

An incident took place in Winnipeg, Manitoba, involving a young black man named Piercey Haynes. He had come to Canada, specifically to Winnipeg, many years earlier with his parents, from British Guiana. He was well known and well thought of in Winnipeg. In high school, he was a boxer, and in 1942 he decided he wanted to go into the navy, for the simple reason that he saw many of his friends and former schoolmates flocking into the navy. For some reason, many people in Western Canada chose the navy as the service they wanted to join. Some people say that the reason for this is that westerners were freshwater sailors and they wanted to find out what this saltwater business was all about.

Piercey Haynes, along with many others, went to the recruiting station. He walked in and spoke to the officer in charge, a captain in rank, who refused to accept him into the navy and suggested he join the army. Piercey Haynes replied that, if he was not good enough for the navy, he was not good enough for the army. He continued his protests by writing a letter to the Naval Secretary, the late Honourable Angus L. Macdonald, a fellow Nova Scotian and fellow Cape Bretonner. Mr. Macdonald got back to him by mail and indicated to him that that clause in the Naval Service Act was put there in the best interests of minority persons. He indicated that long research had proven that, when a minority group and a majority group come together, the minority group suffers.

Piercey Haynes did not accept that line of reasoning. He was going into the navy. There would be officers there to make sure all members of the navy were treated equally. He persisted and continued to write letters, and the Naval Council met on several occasions in an attempt to deal with the issue. Finally, they decided to revise the Naval Service Act by removing that clause and opening the navy to Canadians of good health, regardless of race, colour or creed. The only people who could not get in at that point in time were, of course, females. That has changed now to some degree.

Piercey Haynes made further contact with Angus L. Macdonald, who instructed him to go back to the naval station. He returned armed with a letter from Mr. Macdonald. The captain in charge, the same gentleman, refused even to look at the letter. That was insubordination. Shortly thereafter, that captain was removed from that post and Piercey Haynes went into the navy. He spent four or five years of wartime service in the navy. For some reason, he never went to sea. He spent

considerable time in Halifax, where he was a musician, and he spent time entertaining other servicemen. By the time the war ended, four or five other blacks had entered the Royal Canadian Navy.

Human rights laws have done a lot to change that kind of attitude. Now blacks, native persons, Indians, Chinese, Japanese, whatever, are in the Armed Forces regardless of their race. We have come a long way. I have no animosity. I am not here today to embarrass anyone over what happened in 1910. With the human rights legislation we have in place, that sort of thing could not happen again. Black people and other minority groups are proud to serve their country. They demonstrated that in World War II, despite the roadblocks.

I have written a history of blacks in World War I, and it is painful to read the way blacks were kept out of the army during that war. Finally, the government decided to organize an all black battalion for service overseas. In my research, I came across the words of the Chief of the General Staff, Major-General Willoughby Gwatkin. When asked his opinion with respect to enlisting black people, he stated:

The civilized Negro is vain and imitative. In Canada, he is not being impelled to serve by a high degree of loyalty. In France, in the firing line, there is no place for a black battalion, CEF... It would crowd out a white battalion and it would be difficult to reinforce.

He also stated that the average white man would not associate with him on terms of equality. Nevertheless, blacks still played their part in World War II and, God forbid, if war should come any time soon — I hope not — black people would still be proud and eager to line up in front of recruiting stations and enlist.

●(1550)

We see this as our country, too. We do not see it as a whites-only country. We definitely know it is not for whites only. Things have changed. We have come a long way. We have quite a few blacks in the peacetime forces in all three branches of the service.

Almost the same problem occurred in the Royal Canadian Air Force during World War II. They did not want to enlist blacks but, finally, the barrier came down because some blacks were strong enough and loyal enough to stand up and make known their request for the service of their choice. Before the war ended, quite a few blacks were in.

I will tell you a story of a gentleman from Nova Scotia named Allan Bundy. He applied to go into the air force and they refused to take him. He went home and forgot about the matter. Finally an RCMP officer knocked on his door because he had not responded to a request to enlist in the army. He told the RCMP officer to arrest him, that he would not go into the army if he was not good enough for the air force. Consequently the officer did not arrest him.

After a while, he got word from headquarters that he was accepted in the Royal Canadian Air Force. He got his training in Ontario. He got his wings as flying officer and he went overseas. There, another problem cropped up. None of the white people wanted to fly with him. As the in-charge flying officer, he needed a second pilot to help fly the two-seaters. Finally, one man volunteered to serve with him. For some strange reason, Allan Bundy and that particular gentleman who served with him both survived and came back from overseas. Other men who thought Allan Bundy was not good enough to be their flying officer, unfortunately, did not come back alive.

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I thank Senator Ruck for his presentation, for making us very much aware of the history of prejudice that has existed in this country, and also for bringing to mind some names that are certainly a part of my legacy.

I see up in the gallery today Member of Parliament Gordon Earle who now represents a Nova Scotia riding. At one point he served with great distinction as the ombudsman for the province of Manitoba. I am sure that he, along with Senator Stratton, probably knew Piercey Haynes. Certainly at every political gathering, every fundraiser that was held in my honour, Piercey Haynes played the piano. He would then come and join us for dinner. I do not think it would come as a shock to Senator Stratton to know that Piercey Haynes was a Liberal.

Then, of course, in the midst of his presentation the honourable senator made reference to the late Angus L. Macdonald. He, of course, did serve as secretary of the navy but, before that, he served as premier of Nova Scotia. He became premier again in 1945, and my father became his deputy premier and his minister, first of trade and industry and then of health. Then my dad subsequently replaced him as premier of Nova Scotia.

This was a nostalgic afternoon for me while I listened to you, Senator Ruck. However, much more important was the message you gave us. That is, life in this country, unfortunately until very recently, has not been fair and has not been equitable to those who were not members of the white race. It has also often not been fair and equitable to women, but I do not think there is any question that among those who suffered the most by that form of discrimination have been our black Canadians and our aboriginal Canadians.

I want to address the issue of black Canadians. I grew up in the city of Halifax where a great many of our black Canadians lived in a community known as "Africville." It was also, regrettably, located on the Halifax dump.

Black people, it was argued and debated, had squatters' rights to Africville because it was their community. When they were forced to leave that community, it was not done with great dignity, and it was certainly not done with the compensation that they should have received.

Growing up in a city like that, frequently people are not even aware that there are people living in that community who are suffering great discrimination. In my experience growing up in that city, I rarely met a black person. If I did meet a black person, it was Suzie Biggs who, when my grandparents were killed as a direct and indirect result of the Halifax explosion, came to work for my father as he had to raise nine younger brothers and sisters. Suzie Biggs was black. Suzie provided the mother image for that family.

I remember Suzie because she still worked for my mother and dad when I was a small girl. I always remember, with some affection, that her children referred to my mother and father as their grandparents. They did not look like their grandparents but my mom and dad considered them the best grandchildren they could have had. Suzie Biggs' nephew and Beatrice Adams' son was Wayne Adams who became a member of the legislature of the province of Nova Scotia.

All of that was brought back to me today by Senator Ruck. Thank you very much. I hope that the very fact that you are in our chamber, along with Senator Cools and Senator Oliver, will remind us on a frequent basis that discrimination has been practised against black people in our society. I hope it is with less frequency today, but I know that it still exists to some degree. All of us must work together to ensure that your children, your grandchildren and your great-grandchildren see less discrimination than what was practised against you and Piercey Haynes.

**Hon. Shirley Maheu (The Hon. the Acting Speaker):** If no other senator wishes to speak, this matter is considered debated.

The Senate adjourned until tomorrow at 2 p.m.



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CANADA

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OFFICIAL REPORT  
(HANSARD)

Thursday, March 11, 1999

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THE HONOURABLE GILDAS L. MOLGAT  
SPEAKER





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(Daily index of proceedings appears at back of this issue.)

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## THE SENATE

Thursday, March 11, 1999

The Senate met at 2:00 p.m., the Speaker in the Chair.

Prayers.

[Translation]

### SENATORS' STATEMENTS

#### THE WINTER GAMES

**Hon. Fernand Robichaud:** Honourable senators, last Saturday the closing ceremonies of the Winter Games were held in Corner Brook, Newfoundland. More than 3,200 athletes and 600 coaches from all across Canada took part in these games.

The City of Corner Brook showed all of Canada what a warm and hospitable welcome it had reserved for all those attending this great event. Its 7,000 volunteers made a vital contribution to the welcoming atmosphere.

My congratulations to the New Brunswick athletes who so ably represented our province in these games. My congratulations as well for a job well done to the organizers, the volunteers, the athletes and, particularly, the people of Corner Brook, for making these Winter Games the resounding success that they were.

I would also like to take this opportunity to invite the people of Canada to the first Canadian Francophone Games, which will bring together the francophones and the francophiles of Canada. More than 1,000 people will be participating. The Games will be held next summer in Memramcook, New Brunswick, August 19 through 22, just before the Sommet international de la Francophonie. There will be an innovative aspect to these games: an artistic component in addition to the sports. This is a first for Canada. We will be expecting you this summer. Do come down and see us.

[English]

### COMPUTER TECHNOLOGY

#### YEAR 2000 PROBLEM

**Hon. Donald H. Oliver:** Honourable senators, I had intended to present a statement last week on the importance of electronic commerce and the need for a comprehensive study of this subject by the Senate Banking Committee. I am delighted to report that that committee has already undertaken such a major study on e-commerce, taking its cue from last fall's OECD report, which estimates that electronic commerce will increase in value from the present-day \$26 billion U.S. per year to about \$1 trillion worldwide in the next seven years. However, first we must get

through into next year. First we must deal with the Y2K problems of the so-called millennium bug.

It is difficult to pick up a newspaper without reading some commentary on our preparedness, or lack thereof, as we reach the end of the year. Last Saturday's *National Post*, for example, carried a feature article on this subject detailing the government's efforts to assuage the fear of Canadians through the distribution of a pamphlet entitled, "The Millennium Bug Home Check."

The thrust of the federal government's thinking so far on this subject has been to reassure Canadians that all will be well, home appliances will work, cars will start, and the buses and trains will run on time, but it is foolish to believe that there will not be problems. For the most part, they are problems which can be anticipated and, in many cases, resolved through individual action before the end of the year. We do not really know whether, in the middle of next winter, our home and office heating sources will function uninterrupted. We do not know for sure whether the purification plants for drinking water will continue to produce clean water. In spite of the preparedness measures our financial institutions have already undertaken, we are unsure of a steady supply of cash through bank machines.

We do not realize the magnitude of our dependency on computer technology. Take the food production industry, for example. Les MacDougall of Halifax-based CIC Ltd. has stated that food production will be impacted by Y2K in every step of the process, from seed production, growing, transportation, manufacturing, to retailing. All these steps involve governments power sources and other public utilities such as telecoms, which are dependent on date-sensitive technology.

What should we be doing as senators? Perhaps we should be studying the impact of Y2K in one of our standing committees. Senators should also become involved through our newsletter and other communication tools informing Canadians of simple precautions that could be taken.

Prevention could be useful, such as taking two weeks' salary out of the bank machine in cash, stocking up on two or three weeks' groceries, ensuring that homes have alternative sources of heat which are not Y2K vulnerable, and obtaining enough pure water or a water purifier to ensure clean drinking water for at least two weeks.

There is a role here for senators to play, a role of informing Canadians to take necessary precautions to lessen, to the greatest extent possible, the potential adverse consequences of the failure of time-sensitive computer equipment. We should ensure that Canadians are not lulled into a false state of security but are generally prepared at least to meet predictable service interruptions.



## VISITORS IN THE GALLERY

**The Hon. the Speaker:** Honourable senators, I wish to draw your attention to some distinguished visitors in the gallery, Madam Marie-Louise Rossi, Chief Executive of the International Underwriting Association of London, England, and Mr. David Matcham. They are here as guests of our Senate Banking Committee.

I bid you both welcome to the Senate.

## ROUTINE PROCEEDINGS

## ACCESS TO INFORMATION ACT

## BILL TO AMEND—REPORT OF COMMITTEE

**Hon. Lowell Murray,** Chairman of the Standing Senate Committee on Social Affairs, Science and Technology, presented the following report:

Thursday, March 11, 1999

The Standing Senate Committee on Social Affairs, Science and Technology has the honour to present its

## SEVENTEENTH REPORT

Your committee, to which was referred, Bill C-208, An Act to amend the Access to Information Act, in obedience to the Order of Reference of Thursday, February 11, 1999, has examined the said bill and now reports the same without amendment.

Attached as an appendix to this Report are the observations of your committee on Bill C-208.

Respectfully submitted,

LOWELL MURRAY  
*Chairman*

(For text of Appendix, see today's Journals of the Senate.)

**The Hon. the Speaker:** When shall this bill be read the third time?

On motion of Senator Maheu, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

## RECOMBINANT BOVINE GROWTH HORMONE

INTERIM REPORT OF AGRICULTURE AND FORESTRY COMMITTEE ON STUDY OF EFFECT ON HUMAN AND ANIMAL HEALTH TABLED

**Hon. Leonard J. Gustafson:** Honourable senators, I have the honour to table the eighth report of the Standing Committee on Agriculture and Forestry, which is an interim report on the

human and animal health safety aspect of rBST, as referred to the committee on Thursday, May 14, 1998.

Honourable senators, pursuant to rule 97(3), I move that the report be placed on the Orders of the Day for consideration at the next sitting of the Senate.

**The Hon. the Speaker:** Honourable senators, is it agreed?

Motion agreed to.

[Translation]

## CARRIAGE BY AIR ACT

## BILL TO AMEND—REPORT OF COMMITTEE

**Hon. Marie-P. Poulin,** Acting Chair of the Standing Senate Committee on Transport and Communications, presented the following report:

Thursday, March 11, 1999

The Standing Senate Committee on Transport and Communications has the honour to present its

## TENTH REPORT

Your committee, to which was referred Bill S-23, to amend the Carriage by Air Act to give effect to a Protocol to amend the Convention for the Unification of Certain Rules Relating to International Carriage by Air and to give effect to the Convention, Supplementary to the Warsaw Convention for the Unification of Certain Rules Relating to International Carriage by Air Performed by a Person Other than the contracting Carrier, has, in obedience to the Order of Reference of Wednesday, February 3, 1999, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

MARIE-P. POULIN  
*Acting Chair*

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the third time?

On motion of Senator Poulin, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

[English]

## FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS ACT

## BILL TO AMEND—FIRST READING

**The Hon. the Speaker** informed the Senate that a message had been received from the House of Commons with Bill C-65, to amend the Federal-Provincial Fiscal Arrangements Act.

Bill read first time.

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the second time?

On motion of Senator Carstairs, bill placed on the Orders of the Day for second reading on Tuesday next, March 16, 1999.

## CANADA-EUROPE PARLIAMENTARY ASSOCIATION

ORGANIZATION FOR SECURITY AND COOPERATION IN EUROPE—  
MEETING OF PARLIAMENTARY ASSEMBLY, VIENNA, AUSTRIA—  
REPORT OF CANADIAN DELEGATION TABLED

**Hon. Jeremiah S. Grafstein:** Honourable senators, I have the honour to table, in both official languages, the report of the Canadian delegation of the Canada-Europe Parliamentary Association; OSCE, the Organization for Security and Cooperation in Europe; and the parliamentary assembly, OSCPA, standing committee meeting in Vienna, Austria, on January 14 and 15, 1999.

## ENERGY, THE ENVIRONMENT AND NATURAL RESOURCES

NOTICE OF MOTION TO AUTHORIZE COMMITTEE  
TO EXTEND DATE OF FINAL REPORT

**Hon. Nicholas W. Taylor:** Honourable senators, I give notice that on Tuesday, March 16, I shall move:

That notwithstanding the Order of the Senate adopted on October 23, 1997, the Standing Senate Committee on Energy, the Environment and Natural Resources, in accordance with rule 86(1)(p), which was authorized to examine such issues as may arise from time to time relating to energy, the environment and natural resources generally in Canada, be empowered to present its final report no later than March 31, 2000.

## HUMAN RIGHTS IN TIBET

NOTICES OF MOTION TO URGE CHINESE GOVERNMENT  
TO RECOGNIZE SELF-DETERMINATION  
AND HUMAN RIGHTS OF TIBETANS

**Hon. Consiglio Di Nino:** Honourable senators, I give notice that on Tuesday next, March 16, 1999, I will move:

That the Senate urge the Government of Canada to use its good offices to urge the Government of China to respect the right to self-determination and human rights of the people of Tibet and, in particular, to respect the Universal Declaration of Human Rights as well as resolutions of the UN General Assembly 1960, 1961 and 1965 which affirm these rights for the Tibetan people.

## JUSTICE REFORM AND VIOLENCE AGAINST WOMEN

COMMENTS MADE AT CIDA AND UNIFEM CONFERENCE—  
NOTICE OF INQUIRY

**Hon. Anne C. Cools:** Honourable senators, pursuant to rules 56(1), (2) and 57(2) of the *Rules of the Senate*, I give notice that two days hence, I will call the attention of the Senate:

(a) to the speech by Supreme Court of Canada Justice Claire L'Heureux-Dubé at a conference on "justice reform and violence against women," sponsored by UNIFEM and the Canadian International Development Agency, (CIDA), held at the Government Conference Centre in Ottawa, on March 8, 1999, International Women's Day;

(b) to Madame Justice L'Heureux-Dubé's work with an international women's organization, Sakshi, that promotes reform in South Asia, and to her role "explaining equality and our concept of equality";

(c) to the speeches at this same conference by Diane Marleau, Minister for International Cooperation and Minister Responsible for la Francophonie, Jean Augustine, Member of Parliament, Hélène Lagacé, Centre canadien d'études et de coopération internationale, (CECI), and Madonna Larbi, MATCH International Centre;

(d) to the media reports about Madame Justice L'Heureux-Dubé's speech;

(e) to Canada's Superior Court justices' international activities in other countries;

(f) to the Canadian International Development Agency's financing of Canada's Superior Court justices' international activities;

(g) to Parliament's role in Canada's Superior Court justices' actions in other countries.

## QUESTION PERIOD

### NATIONAL FINANCE

LEGISLATIVE CHANGES NEEDED TO MODERNIZE, STREAMLINE  
AND STRENGTHEN FINANCIAL SECTOR—GOVERNMENT POSITION

**Hon. W. David Angus:** Honourable senators, given that we have with us today guests from the financial services sector in the U.K.; given that our friends to the south have recently begun a massive overhaul of legislation to reform their financial services regulation structure; given that the U.K., with its Financial Services Administration Act, has recently undertaken a complete overhaul of its financial services system; given that last fall the Standing Senate Committee on Banking, Trade and Commerce recommended, unanimously — following a similar

such unanimous recommendation by the finance committee of the other place — that the government move with all due haste to modernize, streamline and, at the same time, strengthen Canada's financial services sector, especially in banking and insurance; and given that yesterday's announcement by the Canada bond rating agency recognized that the Canadian financial system, especially in banking, is weakening and not strengthening, can the Honourable Leader of the Government in the Senate please tell us when the government will introduce badly needed legislative changes to help to modernize, streamline and strengthen Canada's financial services sector?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, given that it was necessary to bring the country's finances under control; given that this government, when it came into office, was faced with a \$42-billion debt; given that this government has brought forward two balanced budgets for the first time in 50 years; and given that this government has promised two more balanced budgets, which will give us four balanced budgets for the first time since Confederation, the government is indeed examining the possibility of bringing forward the legislation alluded to by the Honourable Senator Angus. Over time, this government has put Canada on a sound financial basis from which we can move forward and create more jobs in this country.

**Senator Angus:** Honourable senators, given that the honourable leader has not answered the question and that he does not know the answer thereto; given the Free Trade Agreement and the constant breaches thereof by the government; and given the indiscriminate, unpopular, and ill-conceived refusal to allow mergers of banks in this country, would the Leader of the Government please answer the question?

**Senator Graham:** As honourable senators know, the Standing Senate Committee on Banking, Trade and Commerce, of which the Honourable Senator Angus is a valuable member, brought forward a report on financial institutions and continues to investigate that sector. In the near future, the government will be releasing a policy statement, the intent of which is to map out our vision of the financial services sector. This will be an important step in assessing any proposed future developments in the banking and financial institutions sector.

[Translation]

## CANADA-FRANCE RELATIONS

### PRESUMED TRANSGRESSION OF INTERNATIONAL RULES OF PROTOCOL—GOVERNMENT POSITION

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, my question is for the Leader of the Government in the Senate. First, I would like to point out that relations between France and Canada are very important. They are important to Canada as a whole, to the Province of Quebec and to my province of New Brunswick. The Prime Minister yesterday accused France and its Minister of Culture, Catherine Trautmann, of failing to abide by international rules. Which international rules did the French minister break?

[English]

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, Canada's reaction was entirely appropriate, given the circumstances. Informal or not, the meeting organized by the French minister of culture and communications brought together sovereign states on, according to the invitation of the minister, the margins of the annual general meeting of the Inter-American Development Bank.

Accordingly, only the Government of Canada may determine the mode of representation for the federation and its constituent parts in its relations with other sovereign states and international institutions such as the bank.

[Translation]

### JURISDICTION OF QUEBEC ON MATTERS RELATING TO FRENCH CULTURE—GOVERNMENT POSITION

**Hon. Pierre Claude Nolin:** Honourable senators, my question is for the Leader of the Government in the Senate. I would like to point out that the informal meeting organized by the French Minister of Culture has nothing to do with what the minister has just told us, but instead concerned municipal development in South America.

Quebec has full jurisdiction over everything that concerns French culture in Quebec. Is your government casting doubt on that?

[English]

**Hon. B. Alasdair Graham (Leader of the Government):** No, absolutely not, honourable senators. The declaration on culture signed between the governments of France and Quebec in no way alters the situation. The declaration must be viewed in the context of the direct and privileged relationship between France and Quebec. Given that the meeting of March 10 was not a bilateral meeting, the declaration bears little relevance, in my opinion.

[Translation]

### DEBATE ON CULTURAL PLURALITY AND DIVERSITY— GOVERNMENT POSITION

**Hon. Pierre Claude Nolin:** Honourable senators, on December 19, the Prime Minister of France and the Premier of Quebec issued a press release. I presume it was read by the Government of Canada. The two governments recognized the necessary participation in the debate on cultural plurality and diversity of states and governments which, like Quebec, have authority over these matters. I remind you that this is a document that was jointly released by the Prime Minister of France and the Premier of Quebec. Your government read that statement. Why did Minister Coppins not react at that time?

[English]

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, Canada's decision does not question the very special relationship between France and Quebec which we all recognize has developed with the approval of the Government



of Canada. The relationship cannot, however, be extended to any international setting without the Canadian government's explicit consent.

**Senator Nolin:** Is it true that Minister Copps was not invited to that meeting, that she decided to invite herself, and that it was at that moment that the French minister decided to invite the Quebec minister?

**Senator Graham:** Honourable senators, I am not aware of the specific details on that particular point.

[Translation]

**Hon. Jean-Claude Rivest:** Honourable senators, the government spokesperson should realize that, as regards relations between Quebec and France, Lester B. Pearson — who was then Canada's Prime Minister and who had a much more enlightened vision of Canada than that of the current government — and Jean Lesage signed an agreement confirming the direct and privileged relationship of Quebec and France, within the Canadian federation. As for the multilateral aspect of relations in the area of francophonie, Brian Mulroney and Robert Bourassa established foundations that were fully compatible with the federal system in the context of the Sommet de la francophonie, where Quebec speaks for itself, as does Canada. This has been done in total harmony for years.

Instead of getting all worked up and of politicizing the issue uselessly, why did the Government of Canada not simply — as is done within the Agency for Cultural and Technical Co-operation in French-speaking countries, and also regarding the activities relating to the Sommet de la francophonie — endorse Quebec's direct participation in that conference? The federal government could have invited, on behalf of the Canadian francophonie, the Government of Ontario and the Government of New Brunswick. The latter could have spoken with authority about culture and Acadians in Canada.

Instead of displaying this adversarial attitude toward the Government of Quebec — which is precisely what Lucien Bouchard wants — and in light of the precedents that exist since the Pearson days and that were expanded on in a remarkable fashion by the Mulroney government, would it not have been wiser for the Canadian government to take its cue from such people, who had a much more sound vision of Quebec and Canada than does the current government, with this kind of sterile confrontation, which is very bad for the unity of the country?

[English]

**Senator Graham:** Honourable senators, we are talking here about process. Senator Nolin, on the one hand, has raised the point of why the Government of Canada did not object at the time of the signing of the cultural agreement. Senator Rivest, in particular, is asking why we do not allow the joint participation of the Government of Quebec and the Government of Canada.

Again, you must draw the line sometime, somewhere. You must bring this matter to the attention of those who are most concerned. The decision as to the presence and means of representation of the Canadian federation and its constituent

parts, if you will, in its dealings with other sovereign states lies exclusively with the Government of Canada. France's decision to invite the Government of Quebec to participate in a ministerial meeting, coinciding with the general meeting of the Inter-American Development Bank, is incompatible with the Canadian government's constitutional jurisdiction over international relations.

[Translation]

**Senator Rivest:** Honourable senators, if it was incompatible with the uniqueness of Canada's foreign policy, why then did Mr. Pearson's government recognize the direct and privileged relationship, without the official presence of Canada, between Quebec and France?

Why is Canada preparing to host a meeting of all francophone nations in New Brunswick at which Quebec and New Brunswick will play a direct and equal role similar to that of the Canadian government? Incompatibility does not enter into it. What we have here is the Prime Minister of Canada's unfortunate short-sightedness when it comes to the problems of Quebec.

[English]

**Senator Graham:** This is a decision that was made by the Government of Canada. For example, it would be tantamount to inviting Corsica to come to Canada for a consultation or a conference without notifying the Government of France.

[Translation]

**Hon. Pierre De Bané:** Honourable senators, our colleague Senator Rivest has enjoyed reminding the Leader of the Government in this chamber that the words "direct and privileged relationship" were used by the Pearson government. Is it not true that the Pearson government recognized the direct and privileged relationship between France and Quebec? Is it not true that the Trudeau government used the same terms? And were they not also used by the Mulroney, Turner and Chrétien governments? Each of Ottawa's governments, including that of Mr. Chrétien, has recognized direct and privileged relationship. All governments have used these words, contrary to what Senator Rivest would have us believe. He implied that only two prime ministers used them.

Is it not true that no government has recognized that one of Canada's provinces could participate in an international meeting without the consent of the federal government? Quebec is a member of the Agency for Cultural and Technical Co-operation because the federal government has given its approval.

[English]

**Senator Graham:** I thank the Honourable Senator De Bané for reminding us of those important historic facts.

[Translation]

**Hon. Marcel Prud'homme:** Honourable senators, regardless of what certain personages in Ottawa may say or think, if Canada is to exist, none wish it more than Senators De Bané, Gauthier, Nolin, Rivest, Grimard, Bacon, Pépin, Mercier and Prud'homme.

One thing cannot be changed. The relationship between France and Quebec will evermore be privileged. That in no way changes the privileged relationship Canada and France have had in historical terms.

Right now, as the relationship between Canada and France, between the Right Honourable Jean Chrétien, my friend the Prime Minister, and Mr. Jospin, between Ms Copps, a friend, and Adam Trautmann, seemed to be excellent, why did Ottawa once again get in a state? The only conclusion I can draw is that it can only be to the detriment of what I have called the other points. This is a country that recognizes a striking difference. It will be increasingly noticed and noticeable.

Mr. Minister, you are a member of cabinet. Would you tell them there to ask their advisors to calm down? We can only worsen the situation with the Government of Quebec, despaired of not achieving its goal of breaking up Canada and doing everything to uncover every little upset in our relationship with France. I have always said I am not a Quebecer, I am a French Canadian from Quebec.

[English]

•(1440)

**Senator Graham:** Honourable senators, I thank the Honourable Senators Prud'homme, Nolin, Rivest, De Bané and Kinsella for their interventions. I maintain that Canada's reaction was entirely appropriate given the circumstances. The decision does not put into question the important relationship that has developed between France and Quebec, with the approval of the Government of Canada.

I should point out that Canada's ambassador to France, Jacques Roy, made representations on several occasions to the highest levels of the French government to convey Canada's deep concern with respect to the invitation. What is more, the Prime Minister also wrote a letter to the Prime Minister of France on March 9.

Given the representations, and important observations expressed in this chamber, I am duty bound and pleased to bring them to the attention of my colleagues, in particular the Prime Minister.

[Translation]

**Senator Nolin:** Honourable senators, in a reply a few minutes ago, the Leader of the Government made reference to the Corsican problem. I assume the author of the notes you were reading is in the know. Did that person explain the situation in Corsica to you? It cannot be compared to the present situation in Quebec. Premier Bouchard has been duly elected by a majority of Quebecers. Like it or not, his is a democratic government. In Corsica, there are revolutionaries, people operating outside the law. It might be acceptable to compare them to the FLQ.

Such a comparison, reported in the Quebec press, only stirs up an animosity that is not appropriate. My colleague Senator Rivest referred to this a few minutes ago. I trust that you will not use that comparison again.

[English]

**Senator Graham:** Honourable senators, I take full responsibility for my reference to Corsica. That reference did not come from any briefing notes or any other such source. If I am wrong or if I have been given the wrong impression, I beg the indulgence of my honourable colleagues.

**Senator Prud'homme:** Honourable senators, would the minister undertake to recommend something to his colleagues with regard to the word "approve" which has different connotations?

[Translation]

In the province of Quebec, the most francophone of provinces, the word "approve" is used.

[English]

It reminds me of the stamp we see on pieces of meat, "Canada Approved." It is a little like saying that Quebec is a little baby who needs approval. The word "approve" is one which should be disposed of in these relationships.

[Translation]

**The Hon. the Speaker:** I would like to point out that Question Period is for questions, not debate.

[English]

## NATIONAL DEFENCE

### CLOSING OF CFB CORNWALLIS—REMOVAL OF MEMORIAL WINDOWS FROM ST. GEORGE'S CHAPEL—REQUEST FOR RESPONSE

**Hon. Gerald J. Comeau:** Honourable senators, yesterday, I asked the Leader of the Government in the Senate a question regarding the status of the stained glass windows in St. George's Chapel in Cornwallis, Nova Scotia. He indicated that he would respond to my question today.

Does the minister have a response as to the status of those windows?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, a decision was taken by the Chaplain General of the Armed Forces to leave the stained glass windows where they are. When I questioned the status of this particular problem, it was determined that the decision was taken on the basis that they should be left in a consecrated chapel and that it would not be appropriate for them to be returned to premises which are regarded merely as a museum.

**Senator Comeau:** Honourable senators, the minister may want to go back to the Chaplain General and advise him that the chapel at Cornwallis is to be consecrated in May to coincide with the anniversary of the Battle of the Atlantic. As well, the Royal Canadian Naval Association is returning to their former recruit training base for a reunion this summer.

The chapel at Shannon Park is closed six days per week. Therefore, the stained glass windows will be viewed by fewer people, and face a greater danger that they will be damaged. The chapel at Cornwallis is open seven days per week. As well, Shannon Park has a very small congregation, whereas the congregation at Cornwallis is as large if not larger.

All of the arguments used by the Chaplain General do not stand up. It is about time that we did the right thing and moved the stained glass windows back to where they belong in their historical and rightful home. I should like the minister from Nova Scotia to support us on this project.

**Senator Graham:** Honourable senators, I most certainly will bring those representations to the attention of the Minister of National Defence who, in turn, will discuss them with the Chaplain General.

My understanding is that, currently, the stained glass windows are in what would be termed an active naval chapel in Halifax at the largest naval base in the country. They serve as a reminder to the members of the Canadian Forces and their families who worship there of the sacrifices and traditions that they follow so proudly.

I was not aware that the chapel in Shannon Park is only open one day per week. Senator Comeau suggests that the chapel at Cornwallis is open seven days per week. My understanding is that it is now a museum. However, he suggests that it will be returned to its original status as a consecrated chapel.

The Chaplain General's position is that the memorials are living gifts that belong in a consecrated chapel, as I suggested earlier, and not relics to be put away in a so-called museum. The decision to keep the windows in Halifax was made by the Chaplain General. The Minister of National Defence supported the decision. I would be happy to bring these new revelations to the attention of my colleague.

## AGRICULTURE

### ECONOMIC CRISIS IN PRAIRIE PROVINCES—URGENT NEED FOR FARM RELIEF PROGRAM—GOVERNMENT POSITION

**Hon. Leonard J. Gustafson:** Honourable senators, I was asked at a farm rally in Regina, attended by 1,500 people, to ask the question I am about to ask of the Leader of the Government in the Senate. Farmers there voted to send a message to Ottawa stating that they are very upset that neither minister attended the rally to which they were invited. In fact, they went as far as asking them to resign.

The basis of this problem is the very serious agriculture situation facing the Prairies. It is more serious than the drought years. Income levels have fallen by some 70 per cent.

•(1450)

We heard horror stories from farmers who will not be able to survive. They are upset with the program and the way in which it

will be administered. They asked if I would take a request to the Senate, requesting that the government make an acreage payment in order to put some money into the pockets of farmers before seeding time.

I ask the Leader of the Government in the Senate if he would take my representation to cabinet. I am sure this is not the last time he will hear about this situation, but it is indeed serious.

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I thank the Honourable Senator Gustafson for bringing this matter to our attention. We discussed this issue often and at great length during sittings in the Senate while the Minister of Agriculture was working very assiduously to set up the farm relief program that he had announced before the Christmas break. I wish to assure the honourable senator that both Minister Vanclief and Minister Goodale, who has certain responsibilities in this respect, both speak to their cabinet colleagues on a regular basis on this matter.

This matter is of concern to all Canadian citizens. We recognize that, in so many respects, the area of the country to which Senator Gustafson has referred is often called the breadbasket of the nation. We feel for our fellow Canadians, just as Canadians across the country feel for the plight of the coal miners in Cape Breton.

In any event, I assure my honourable friend that I shall bring those representations to the attention of my colleagues.

[Translation]

## ROYAL ASSENT

### NOTICE

**The Hon. the Speaker** informed the Senate that the following communication had been received:

### RIDEAU HALL

March 11, 1999

Mr. Speaker,

I have the honour to inform you that the Honourable J.E. Michel Bastarache, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber today, the 11th day of March, 1999, at 4:30 p.m., for the purpose of giving Royal Assent to certain bills.

Yours sincerely,

Judith A. Larocque  
*Secretary to the Governor General*

The Honourable  
The Speaker of the Senate  
Ottawa



*English]*

## ORDERS OF THE DAY

### PRIVILEGES, STANDING RULES AND ORDERS

#### CONSIDERATION OF NINTH REPORT OF COMMITTEE— DEBATE ADJOURNED

The Senate proceeded to consideration of the ninth report of the Standing Committee on Privileges, Standing Rules and Orders (independent Senators) presented in the Senate on March 10, 1999.—(*Honourable Senator Maheu*).

**The Hon. Shirley Maheu** moved the adoption of the report.

She said: Honourable senators, it is with great pleasure that I rise today to present the ninth report of the Standing Committee on Privileges, Standing Rules and Orders concerning independent senators.

*Translation]*

This report is very important, since it will enable independent senators to become full-fledged members of Senate committees.

I am particularly pleased and proud to see this project finally come to fruition. Indeed, it is high time that independent senators reclaim their rights and resume active participation in the work of our committees. You must realize, honourable senators, that the road leading to that report was long and full of obstacles. Nevertheless, our firm resolve to see independent senators regain the place that is rightfully theirs helped us overcome these obstacles, which were often of a procedural nature, to finally produce this report.

*English]*

The other reason I am so pleased with this report is that everyone in our chamber will benefit from the presence and the full participation of independent senators on our committees.

On the one hand, the independent senators will be much more interested in taking part in the work of the committees since their voices will be heard and they will have the right to vote. I am sure that they will be very enthusiastic and take an active part in the work of our committees. I am also sure that they will become dedicated members of the committees.

I strongly believe that we will all benefit from their presence. Their knowledge and wisdom will be of great help to all of us and should make our committees even more effective.

*Translation]*

Honourable senators, I also want to take a few more minutes to answer the questions raised on March 9 by Senators Kinsella and Robertson, regarding the meeting times of the Standing Senate Committee on Privileges, Standing Rules and Orders.

Let me first remind you that Senator Kinsella's question concerned the regular meeting times of our committee. I emphasize the word "regular." I replied that the committee meets every Tuesday, after the Senate rises, which is true.

However, my reply seems to have generated a great deal of confusion among senators opposite. They seem to not understand that the March 9, 1999 meeting, and this is rather exceptional, was to be held after the adjournment of the Senate, but not before six o'clock. What is so hard to understand about this?

Nevertheless, in order to avoid confusion in the future, let me give a very concrete example: Had the Senate adjourned at 5:30 p.m., the meeting would have begun at six o'clock. However, if the Senate had adjourned at six o'clock, the meeting would have begun immediately after, while taking into account the time necessary to get from one location to the other.

I would remind Senator Kinsella that, had his question been clearer and had he asked me at what time the committee would be sitting on March 9, all this pointless debate could have been avoided.

I believe Senator Robertson's memory is failing her. She seems to have forgotten that the Standing Committee on Privileges, Standing Rules and Orders has already been boycotted by opposition members. That is why I will remind her that neither she nor her colleagues opposite were at the March 19, 1998 meeting. The absence of opposition members was therefore recorded in the meeting's minutes.

Furthermore, I have considerable difficulty understanding Senator Robertson's reaction. The senator is complaining that she received notice at around 3:45 p.m. that the meeting would be held when the Senate rose, but not before six o'clock, and that this left her little time. My question is: "Little time for what?"

The meeting had been planned for some time and the delay resulting from this slight change of schedule could therefore not have been more than a few minutes. How has this harmed her?

However, Senator Robertson had perhaps once again forgotten that a meeting of the Standing Committee on Privileges, Standing Rules and Orders was scheduled for March 9. In that case, I can understand her dismay on being reminded of the meeting.

It was perhaps that faulty memory of hers to blame again when she arrived over one hour late at the meeting of the Standing Committee on Privileges, Standing Rules and Orders on February 2, 1999.

I will conclude by mentioning that there was an astonishing comment from one senator during this debate. Instead of suggesting a constructive solution to the problem, he proposed that the meeting be cancelled outright. Talk about the path of least resistance!

Honourable senators, such behaviour could be detrimental to the Senate's reputation. It should no longer pass without comment, nor should it be tolerated.

[English]

●(1500)

Honourable senators, the committee has five points it wishes to bring to your attention in regard to independent senators being appointed full members on committees.

[Translation]

That independent senators present a request to the selection committee;

That the selection committee be authorized to appoint an independent senator to a committee, in which case it will appoint another non-independent senator to the committee, increasing the membership of the committee by two extra members;

That an independent senator cannot sit on more than two committees;

That only one independent senator be allowed on any given committee; and

That should he be unable to attend, the independent senator cannot have a substitute.

[English]

**Hon. Brenda M. Robertson:** Honourable senators, after those superfluous remarks, I move the adjournment of the debate.

**Hon. A. Raynell Andreychuk:** Honourable senators, for my clarification, as I deliberate on this resolution and the recommendations, could my honourable friend define the words "independent senator"?

**Senator Maheu:** Independent senators are senators appointed neither as Conservatives or members of the government side of the chamber.

**Senator Andreychuk:** I understand that under the Constitution we are all appointed as senators. I wondered, therefore, where and how the term "independent" was being used. Are these to be only senators who declare themselves to be independent after the fact, or are they independent in their thoughts, actions and behaviours?

**Senator Maheu:** It refers to senators appointed as independent senators. They accept the nomination and sit neither in the Conservative caucus nor in the Liberal caucus. They choose to remain designated as independent or named as independent senators.

**Hon. Marcel Prud'homme:** Honourable senators, my comment is directly addressed to the Honourable Senator Robertson through the Honourable Senator Maheu. I hope that we will not sink the aspirations of independent senators in a long and lengthy debate.

**Senator Maheu:** I do not anticipate anything happening to the aspirations of independent senators. I am quite sure both sides are anxious to see this situation resolved.

On motion of Senator Robertson, debate adjourned.

## THE BUDGET 1999

### STATEMENT OF MINISTER OF FINANCE—INQUIRY— DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Lynch-Staunton calling the attention of the Senate to the Budget presented by the Minister of Finance in the House of Commons on February 16, 1999.—(Honourable Senator Graham, P.C.)

**Hon. Norman K. Atkins:** Honourable senators, as I rise today to take part in the budget debate, it will not surprise anyone in this chamber to find that some of my remarks are critical of the recent budget. However, it would not be responsible for me just to criticize. I believe that as an opposition, especially an opposition in Parliament dedicated to maintaining a united Canada and representing Canadians from coast to coast, we must be constructive in our criticism. We must offer alternatives in addition to demonstrating where the government has gone wrong.

This afternoon, I will deal in general terms with the state of the Canadian economy, the economic problems as I see them, and then specifically with health care, education and Canada's armed forces, three areas which I believe were sadly neglected in this budget.

In his budget speech of February 16, the Minister of Finance made one statement which exemplifies to me what budgets are all about. He said:

It is an inescapable fact of life that a budget always brings its own special vocabulary. We talk in the language of rates and ratios, of percentages and decimals, of accounting methods and measures.

What all of this obscures is what budgets should be about. It is to make the lives of Canadian better. It is to improve their standard of living.

Above all, it is to put Canada on a sound financial footing.

On this later point, I find agreement with the minister. Budget should be about providing the economic means for Canadians to improve their standard of living, while managing the country's fiscal responsibilities properly. Unfortunately, this budget does not accomplish the noble goal set by the Minister of Finance. In fact, few Canadians are better off today than they were before budget day.

However, that is a problem with a budget developed by a government which has no economic plan; a government which shows no leadership on the economy, or anywhere else for that matter; a government which we, here in this Senate, know only too well has no legislative agenda; a government which has passed on to the provinces many financial burdens, and they have in turn passed on the additional burdens to the municipalities; a government that is, up to now, devoid of vision as we enter the next century; a government whose only answer to the economic crisis of a collapsing dollar and collapsing stock market last summer was to proclaim they had the fundamentals right, and to go on to say that a falling dollar and low export prices were really good for the economy.

Well, if that is correct, as Scott Brison, Nova Scotia's Progressive Conservative member for Kings—Hants, exclaimed:

...the logical corollary of this argument would be that if we reduce the dollar to zero by high taxes and productivity, inhibiting prices ultimately, we would become the greatest exporting nation in the world.

Honourable senators, we cannot devalue our way to prosperity. We also cannot reach prosperity by indiscriminate spending cuts coupled with steadily increasing taxes.

The federal transfers to the provinces have been reduced by over \$6 billion since 1995. In 1993, federal tax revenues were \$114 billion; now they total \$151 billion. These increased taxes have not been directed to new or better programs or services. Instead, services have been reduced or eliminated or made subject to user fees.

•(1510)

Canadians at all wage levels have been paying more and getting less. Let me take a few moments to relate the problems of our economy and how they affect the social policies which are so necessary in Canada. We cannot forget that economic activity is not an end in itself. It is a means to an end. It provides the means of ensuring opportunity for Canadians to help create and expand the country's wealth and to share in that wealth. It is through economic generation that we can achieve the other goals we set for our society.

Senator Lynch-Staunton, in his speech on Tuesday, listed the differences between the situation inherited by the Mulroney government in 1984 and that inherited by the present government in 1993. Of course, because it was not public at the time when he spoke, he did not mention the downgrading of the big banks' credit rating announced by the Dominion Bond Rating Service on March 9, 1999. Why did this occur? Because of another political decision made by this government similar to its political decisions to cancel the Pearson airport contracts and the purchase of helicopters, decisions made for short-term political expediency without any thought to the long-term effect on the people of Canada.

Despite some growth in economic activity, and particularly employment growth among full-time workers in the

manufacturing industries, the unemployment rate still hovers over 8 per cent and, in many parts of Canada, well over 10 per cent. While there has been strong growth in exports, domestic demand has been sluggish. A close examination of our export growth reveals that it has largely occurred because of currency devaluation and relatively low growth in wages.

We are failing to attract foreign investment into our economy. In 1985, Canada's share of foreign direct investment was 8.9 per cent of the world total. By 1995, this share had declined to 4.4 per cent. A \$1-billion increase in foreign direct investment is estimated to create approximately 45,000 new full-time job opportunities and generate approximately \$4.5 billion in gross domestic product in a five-year period. The main flaw in our economic situation today, though, is the very lacklustre performance of our productivity in absolute and relative terms.

Since 1973, productivity growth in Canada has averaged a mere 0.3 per cent per year. At this rate, our standard of living will take 231 years to double. Compare this with productivity growth from 1960 to 1973 of some 2 per cent per year, allowing Canadians' standard of living to double in only 35 years.

The Organization of Economic Co-operation and Development, the OECD, in its recent economic survey of Canada, puts it another way:

Compared with the major and fast growing, smaller OECD countries, —

— such countries as France, Australia, Ireland and Norway —

— Canada has not kept pace on several accounts over the 1990s: total factor productivity has not been increased and instead has declined, an experience which is shared with virtually no other OECD country that we should compare ourselves with.

This lack of productivity advancement, if ongoing — so says the OECD — could lead to a substantial decline in Canada's per capita income relative to the OECD average. We cannot allow this to occur. Decreasing productivity means decreasing standard of living and means that the issues Canadians care about most — financial security, health care, education, and the future of our social programs — will be placed in jeopardy.

To tackle this serious problem facing our economy, the government must establish targets for national productivity improvement in the context of a growing economy.

How can we become more productive? The OECD has suggested the adoption of policies and incentives which promote capital accumulation, technical innovation and adoption and higher levels of research and development, all of which are less apparent here than in better performing economies.

Canada has a large number of small and medium-sized enterprises which are less internationally oriented, less innovative and, as a result, less productive than their counterparts in other countries. Policies must be directed at these problems.



Canadian business must embrace the use of up-to-date technology, including computers in the factories and in the offices. We must take the advice of the OECD and invest more in research and development and ensure that the products resulting from research and development are used in Canada. We must also become more innovative in how we think and problem-solve so that we create new products which help Canada compete in a global economy.

Government can encourage this through the use of the income tax system and the creative use of tax credits to aid businesses to adapt to new technologies. The same can be done to encourage research and development, but it would have to be research and development leading to products and processes which can be used in Canada, targeted to stimulate productivity.

Encouragement for the introduction and application of the new technologies by Canadian small and medium-sized businesses through tax credits is particularly important for those businesses with export potential. This will help them add value to products before they leave Canada, which means more manufacturing jobs for Canadians and increased productivity. Canadians must be encouraged to invest in Canada and, therefore, in their own future. The rate of domestic investment has fallen well below that of other industrial economies. Canada must also recoup its position as a desirable destination for foreign investors.

Fiscal responsibility also must address the national debt. We must set and follow a comprehensive program for debt reduction with clear and achievable targets. These targets must be worked out with care. Perhaps it would not be unreasonable to aim for a debt-to-GDP ratio that was equal to the average of the economic summit nations, the G-8, over a period of, say, five years and not two years as suggested by the government in this budget.

Within that context, we must lighten the tax burden on Canadians. The surplus in the Employment Insurance Fund should be returned to the employers and employees in the form of reduced contributions. I agree with the actuary of the fund that a premium rate of \$2 per \$100 of insurable earnings is appropriate. The tax income bracket should be fully indexed. It is ridiculous for a person with income of \$7,000 to be paying income tax. The basic personal exemption should be increased, in my view, to \$10,000. Both of these measures would help low-income Canadians.

The measures presented in this budget are an insult both to Canadians living on welfare and to that growing group of Canadians, the working poor. To attempt to take credit for mentioning the problem of homelessness in the budget while doing nothing about it is disingenuous at best on the part of the government. To announce increases to a home renovation program as a remedy to homelessness illustrates how much this government has lost touch with the people of Canada. These people are homeless because they do not have homes. They do not have homes to renovate.

As Senator Cohen pointed out yesterday, poverty and homelessness have become real and urgent problems in Canada

which must be addressed now. That is why the leader of my party has announced the creation of a task force on poverty. One of the co-chairs is Senator Erminie Cohen, along with Diane St-Jacques, MP for the Quebec riding of Shefford. The other Senate member who will be on this task force is Senator Lavoie-Roux.

•(1520)

We all look forward to the work of this task force as it travels throughout Canada, meeting Canadians and working with Canadians to find out what the problems are so that we can arrive at solutions to these vitally important social issues, and recognizing that these issues are both a provincial as well as a federal problem.

I have outlined principles for increasing productivity, debt repayment and tax incentives, as well as tax relief, which should go a long way to reviving confidence in the long-term future of Canada's economy. These are measures that, if they had been addressed in the budget, would set us on a course whereby we could deal with the problems which beset us in both the health and education fields.

Let us look at health care for a moment. This was to be the health care budget. Yes, the government is putting money into health care. In reality, however, it is restoring only enough to bring health and education transfer payments back to 1996 funding levels, but only by the year 2004.

Again, the government does not seem to understand the issue that it is attempting to deal with and has resorted to the old Liberal maxim, "Problems can best be solved by throwing money at them." While this funding increase is obviously welcomed in the health care field, the government is ignoring the tough issues that must be faced and the tough decisions that must be made in relation to health care. A true sign of leadership is the ability to make tough decisions about important matters. This government continues to fail in the areas of leadership and vision.

Our present health care system started as a universal program to provide health care to all Canadians without reference to their ability to pay. It is now time for us, under the leadership of the federal government, to look again at health care and define what are required health care services under the Canada Health Act. What are those services to which the five principles of the Canada Health Act — that is, portability, universality, accessibility, public administration, comprehensiveness — should continue to apply?

While many contend that there is not enough money in the system, I believe we should look carefully at where the money is being spent. There are few, if any, spending controls, little accountability, and medical fees are based on procedures and recurring patient visits which only increase the cost of the system. A new covenant should be forged that redefines health care but guarantees its future accessibility for all Canadians.

In the examination of health care, those involved in its provision should look at how there can be a coordinated delivery of health care. For example, it is not enough to talk about increasing a commitment to home care on its own. It must be coordinated with the doctor, the hospital and the home care providers. Health care sources must be integrated. We must integrate federal-provincial resources, integrate provincial resources with community resources, and integrate our facilities at the local level. Our resources must not be working in isolation, one from the other.

**The Hon. the Speaker:** Honourable Senator Atkins, I regret to have to interrupt you, but your allotted time has elapsed. Are you requesting leave to continue?

**Senator Atkins:** Yes, Your Honour.

**The Hon. the Speaker:** Is leave granted?

**Hon. Senators:** Agreed.

**The Hon. the Speaker:** Please continue.

**Senator Atkins:** This budget presents a shot-gun approach to the health care problems without looking at health care as a whole. The system must be fixed as a whole, and not piecemeal as suggested by this budget.

This budget ignores the problems which have developed in the past few years in the area of education in Canada. There are three problems before us:

First, there are the high dropout rates. A 1991 study on school leavers has the total as high as 30 per cent of students who enter high school dropping out before completion. More recent figures put the average at 20 per cent. While this is still intolerably high, the dropout rate in our aboriginal community, or with other disadvantaged groups, is around 35 to 40 per cent.

Second, those students who remain in the system are not being adequately prepared for the workplace of the next century.

Third, because of the high cost of delivery of post-secondary education, the crisis of the accessibility to post high school education, which we thought we had resolved years ago, is back with us.

I should like to spend a few moments now addressing the problem of accessibility. With the introduction of Canada's Student Loans Program in the 1960s, we prided ourselves in having solved the accessibility problem for those wishing to attend universities. In many ways I believe we were deluding ourselves even then. The school experience of low income families, children with disabilities, and those from minority groups, even with the Canada Student Loans Act, differs from the experience of children from middle and high income families.

The issue of cost and high debt loads on students must be addressed, but addressed in the context of affordability for all students. Gone are the days of annual tuition of \$500 or less, as it was when I was in university. Summer jobs were more plentiful, and if you were lucky, you could cover tuition on your second

month's summer wages. Tuition is now over \$4,000 per year and there are books and living costs to be added. Some students are graduating with crippling debt loads. I admit there is no simple answer to this problem, but I do have one suggestion. Solving it will require imagination and, perhaps, a review of history.

At the end of the Second World War, Parliament enacted the Veterans Rehabilitation Act, 1945, under which funds were provided for veterans wishing to attend university under the University Training Program. Those veterans who indicated a desire to attend university had their tuition paid directly to the university by the Department of Veterans Affairs and were given a living allowance on a monthly basis. This continued as long as "satisfactory" progress was made in the university.

This was a massive investment by the government in the future of this country. But because of its success, Canada had a well-educated, taxpaying population contributing positively to society just a few years after the end of World War II. Veterans graduated with an education, or trade, virtually debt free. Such an investment in the future of Canada may be possible now as we turn the corner into an era of budgetary surpluses. I hope so, because we must make post-secondary education accessible to all who are academically qualified.

Again, these are the types of problems which require vision and imagination to deal with. What has this government done? It announced in last year's budget a millennium scholarship fund. This fund has yet to help one student, and when it does finally come into being, it will help only approximately 4 per cent of post-secondary students.

Finally, honourable senators, I want to deal with the shameful treatment of Canada's military in this budget. In 1994, the white paper on Canada's defence set forth a program for capital acquisitions, increases in military personnel and increases in Canada's reserve force. In the succeeding years, the government has completely ignored its own white paper. In this budget, only \$175 million is been given to our military to increase the quality of life of our armed forces personnel. Honourable senators, this is a cruel joke being played on the military by this government.

An all-party committee in the other place, after thoroughly studying the living conditions of our military, including their pay scales, determined that an additional \$700 million was necessary this year to implement its quality-of-life recommendations. We will again be faced with troop cuts — cuts which we can ill afford as we commit our military to missions throughout the world. What about developing a program for reserve units that really works?

•(1530)

There is also no mention of equipment in this budget. Our Sea King helicopters, as well as our Labradors, are experiencing more and more engine problems and structural fatigue as they age. There will be no replacements in the Sea King fleet in the next three years. Eventually, realistically, all our helicopters will be grounded. This will end our capability to do search and rescue and our ability to protect our coastal waters from the illegal intrusion of foreign vessels.



It is time we had a real debate in this country about the future of our military, a debate which would hold the government to account for lives lost and for equipment failures because of politically expedient promises made during the election campaign in 1993.

Honourable senators, I hope that in the debate which follows at least one senator will address the issue of the environment. This area is completely ignored in the budget. There are no incentives for business to move to adopt environmentally sound practices. Just as the government did no planning going into the Kyoto meetings last year, there is no sign of implementation of the Kyoto agreement by tax incentives in this budget. I hope that one of my colleagues, perhaps Senator Spivak, will take up the argument as we go further into the debate.

Honourable senators, as I said at the outset, I, not surprisingly, do not support this budget. It lacks vision and imagination. It shows no leadership in the economy or elsewhere. However, I believe I have set out some alternative ideas which the government may wish to consider should it decide to show true leadership on tough issues.

This is a government devoid of ideas and coherent policy for the future of this country. It is just not good enough to continue to govern on a modified agenda inherited from the previous government, even though Canadians seem to be willing to accept, for the moment, the status quo. Governments have an obligation, regardless of a lack of public pressure, to do the right thing for the country.

On motion of Senator Graham, debate adjourned.

### SOLICITOR GENERAL

COMMISSION OF INQUIRY INTO TREATMENT OF PROTESTORS AT  
APEC CONFERENCE BY RCMP—PROVISION OF FUNDS  
FOR DEFENCE OF STUDENTS—MOTION ADOPTED

On the Order:

Resuming debate on the motion of the Honourable Senator Carney, P.C., seconded by the Honourable Senator Bolduc:

That the Senate supports the granting of funding for legal counsel to complainants at the APEC hearing in Vancouver before the RCMP Public Complaints Commission.—  
(Honourable Senator Pépín)

**Hon. B. Alasdair Graham (Leader of the Government):**  
Honourable senators, the government has announced that it will provide funding for legal counsel for the complainants at the APEC hearing. I should like to set out for you the government's decision and exactly what the funding arrangement provides.

On February 3 of this year, Commissioner Hughes of the RCMP Public Complaints Commission wrote to the Solicitor General recommending that the state fund legal counsel for the complainants at the hearing into events at the 1997 APEC Summit. Commissioner Hughes' recommendation was based on

fairness, the public interest, and the quality and efficiency of the hearing process. The government has carefully considered Mr. Hughes' recommendation.

On February 15, 1999, the government announced that it would provide funding for legal counsel to those complainants who were directly involved in confrontations with RCMP officers at the 1997 APEC Summit. In reaching the decision to provide funding, the government took into consideration the unique nature of the APEC hearing and Commissioner Hughes' view that legal representation for the complainants was essential to the conduct of a full and fair hearing.

I want to emphasize that the decision to fund the complainants was made in a fiscally responsible manner.

On February 23, 1999, the government announced the criteria for the funding arrangement. Those criteria are as follows: First, the government will provide funding for one team of up to three lawyers, including at least one junior lawyer, to represent all complainants who wish to be represented and who were directly involved in confrontations with the RCMP. Second, it is up to the complainants to select the team of lawyers.

Third, counsel representing the complainants will be paid in accordance with the Department of Justice fee scale for civil litigation, which ranges from \$60 to \$200 per hour for a maximum of 10 hours per day.

Fourth, funding to complainants' counsel will be limited to reasonable preparatory and hearing time spent to represent the complainants before Mr. Hughes.

Fifth, the government will pay for reasonable disbursements.

Sixth, fees and disbursements will be paid as of December 21, 1998, the date of Mr. Hughes' appointment.

Seventh, all bills will be taxed on behalf of the government by a third party, Mr. J.J. Camp, Q.C., of the law firm Camp, Church and Associates, and who is a former president of the Canadian Bar Association.

Commissioner Hughes endorsed this arrangement. On March 5 of this year when he provided rulings on a number of issues including the issue of funding. He found that the government has substantially complied with his recommendation to the Solicitor General and he was not prepared to interfere with the decision made by the government.

Mr. Hughes made one further comment on the funding issue. It relates to the complainants' application to Federal Court. By this application, the complainants seek to challenge the government's claim of privilege over certain documents on the basis of national security and international relations. The complainants want state funding to bring this application in the Federal Court. Mr. Hughes suggested that complainants' counsel ask Mr. Camp the third party responsible for administering the funding arrangement, whether the costs of the Federal Court application fall within the funding criteria. I understand that Mr. Camp has been approached for a decision and that the matter is currently under review.



I think we can all agree that the funding arrangement provided by the government is fair and reasonable. It allows the commission to conduct a fair and full hearing as it works toward resolution of the issues before it. It is expected that the commission will ensure that both Canadians coming before it with complaints about the RCMP and members of the RCMP are given every opportunity to publicly set forth their positions and concerns.

In the 12 years since its creation, the Public Complaints Commission has distinguished itself by treating individuals appearing before it with respect and fairness, and we are confident that it will continue to do so.

Therefore, honourable senators, I have no hesitancy in supporting this motion because it accurately describes what the government has announced it will do.

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, having spoken on the motion, I am not eligible to speak again, but perhaps the minister would accept a question for explication of his remarks.

**Senator Graham:** Certainly.

**Senator Kinsella:** Honourable senators, although in this town things are not totally subject to Aristotelian categories of reality, might honourable senators on both sides of this chamber reach, with some degree of confidence, the conclusion, or at least an inference, that our raising of questions on this matter helped in that determination?

•(1540)

**Senator Di Nino:** Absolutely.

**Senator Graham:** Absolutely.

**Senator Kinsella:** Honourable senators, as a student of these kinds of matters, one wishes to understand the principles upon which such decisions are taken. Would the honourable minister be able to explicate the specific difference between the request for such funding that was made by the chairman of the first panel, Mr. Morin, and the request that was made by Mr. Justice Hughes?

**Senator Graham:** When the Solicitor General responded to this question he referred to the correspondence that had been sent to him by Mr. Justice Hughes and he used the word, as I recall, "essential," that it was essential to the hearings, essential to the proceedings. I am quoting Justice Hughes and I do have copies of the correspondence for my honourable friend Senator Kinsella. With permission, I could table the correspondence between Mr. Hughes and the Solicitor General for the edification of all honourable senators.

**Senator Kinsella:** Thank you.

**The Hon. the Speaker:** Is it agreeable, honourable senators, that this correspondence be tabled?

**Hon. Senators:** Agreed.

**The Hon. the Speaker:** If there are no other honourable senators who wish to speak, I will proceed with the motion.

It was moved by Senator Carney, seconded by Senator Bolduc:

That the Senate supports the granting of funding for legal counsel to complainants at the APEC hearing in Vancouver before the RCMP Public Complaints Commission.

Is it your pleasure, honourable senators, to adopt the motion?

**Hon. Senators:** Agreed.

Motion agreed to.

## MULTILATERAL AGREEMENT ON INVESTMENT

### INQUIRY—DEBATE CONCLUDED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Spivak calling the attention of the Senate to the differences between the proposed Multilateral Agreement on Investment and the NAFTA.—(*Honourable Senator Eyton*)

**Hon. J. Trevor Eyton:** Honourable senators, I rise today to continue debate on the motion of inquiry brought forth by my colleague Senator Spivak, concerning the Multilateral Agreement on Investment, commonly called the MAI. Senator Spivak raised a number of interesting points in her remarks. Her main concern was to the effect that the MAI is being sold as more or less a similar version of the NAFTA albeit on a larger scale, while in fact, as she points out, there are substantial differences.

On this occasion, I should like to try to put the entire MAI question into better perspective. It is important that we have a clear understanding of what the MAI is and what it is designed to accomplish. Much of what we have read in the newspapers, and hear elsewhere, is either biased or simply wrong. For that reason, it is often difficult to separate the wheat from the chaff, and some of the chaff is just silly. I read a news clipping recently, for example, that quoted a teacher from P.E.I. opining that the MAI spelled the doom of public education in Canada. Someone else called it another nail in the coffin of Confederation.

For the record, MAI negotiations began in the spring of 1995 and continued until just recently, when talks were suspended due to a lack of consensus over issues ranging from sovereignty in culture to the protection of labour rights and the environment. The negotiations had been limited to the 29 members of the OECD because it was felt that the 132-member World Trade Organization would be simply too large a forum in which to achieve any kind of consensus. It was decided a meeting of minds would be easier to attain among nations already highly committed to trade liberalization and protecting investments. In

any case, OECD countries are the source of more than 60 per cent of the total foreign direct investment, therefore, it was natural to begin with them. Logical thinking perhaps, however, it appears this particular process is not likely to succeed and, by default, the WTO shall be seized with the matter.

I shall now give a little background. At present there are some 1,600 bilateral agreements linking OECD nations. This includes Canada, which has agreements with 24 countries. The MAI would do away with all of this paper and replace it with one overarching agreement that would take into account the many different concerns that have arisen from the globalization of production. The MAI was designed to do for investment what the Uruguay Round of the General Agreement on Tariffs and Trade did for goods and services — that is, to offer a comprehensive mechanism for dealing with a wide variety of interrelated issues.

Put another way, the MAI is an attempt to establish global rules for the movement of investment capital by creating a stable and fair international investment climate that will benefit all who take part, including particularly small and medium-sized businesses which lack the power to influence governments that otherwise may change their foreign investment rules or discriminate against foreign companies.

To this end, the MAI reflects three central elements. First, it lowers barriers to foreign investment. Second, it protects investors against discrimination and expropriation through two mechanisms; guaranteeing national treatment and guaranteeing the principle that countries agree to treat foreign investors no less favourably than they treat their own investors. The principle is that once a country has accorded a given treatment to a foreign investor or an investment, it cannot grant less favourable treatment to any other investor or investment. Lastly, it provides a binding dispute settlement process for settling problems.

From the beginning, the MAI was the target of ferocious opposition from a small band of economic nationalists and those opposed to free trade, who refuse and apparently always will refuse to admit free trade has been a boon to Canada in spite of overwhelming evidence to the contrary. These people claim the MAI will, amongst other things, make Canada unable to legislate in some areas, prevent us from setting our own standards, bring on increased unemployment, and result in the disappearance of our cultural sector. Clearly this is not so.

The MAI will not result in the sky falling in any more than NAFTA did. I am not saying there are no improvements or changes that can be made; however, we are a long way from the scenarios of apocalypse being painted by Maude Barlow and people of her ilk. Ms Barlow and her fellow travellers have tapped into a rich seam of anxiety, of fear of the unknown. They have made globalization a bad word here in Canada, despite the jobs it has created and the many measurable benefits it has had on the country and Canadian consumers.

Admittedly, the pace of change, including globalization, has been rapid over the past decade. The electronic and communications revolutions have changed completely the way we do business and how we see the world. Old ways and practices have fallen by the wayside. People are uncertain where it is all leading. They feel insecure and resistant to even more

change. Yet, this is just the point: The MAI will not result in major changes either here or elsewhere. That is because most of the rules in the agreement are already present in the myriad of bilateral agreements I referred to earlier.

As for Canada, in effect, we already have an MAI with our major trading partner, the United States, in the form of NAFTA. Therefore, there is no question of a major economic upheaval of the type forecast by critics. Contrary to what these people say, the MAI is not some sort of charter of rights for big business, nor is it a Trojan horse for foreign domination, nor does it imply a relaxation of corporate responsibility, and it will not undermine the ability of nations like Canada to regulate their domestic economies so long as they do not in the process discriminate against foreign investment.

The MAI is about protecting business people from indiscriminate government actions and it is about establishing an internationally recognized standard of market access and legal security for investors. Obviously, the MAI is not perfect. There are bound to be differences in the ways in which language is interpreted. However, I believe it is a good effort in the right direction that can, if ultimately enacted, be of great benefit for Canada in the long run. Globalization and trade liberalization are the trends of today and tomorrow. We must position ourselves to take advantage of these trends and avail ourselves of instruments such as the MAI, which will enhance our ability to compete in the new world.

This means we must invest. For example, last year Canadians invested over \$190 billion abroad. We need to encourage others to invest here. Foreign investment is crucial to our national well-being. It improves services, enhances competition and generates growth. It creates jobs. In fact, it creates one-tenth of all the jobs in this country.

•(1550)

Honourable senators, by all means, let us be part of a new and satisfactory MAI. In getting there, let us make constructive improvements to its terms that will benefit all Canadians, and not let it be said some particular group is seeking a particular advantage at the cost of a vast majority of Canadians.

**Hon. John B. Stewart:** Honourable senators, I have two or three questions I should like to address to Senator Eyton. Perhaps I should ask them seriatim.

The first question relates to foreign investment coming into Canada. Earlier this afternoon, Senator Atkins mentioned that foreign investment in Canada is not nearly as high as it ought to be. The report of the Standing Senate Committee on Foreign Affairs on Canada and Asia Pacific discovered some of the reasons why this is so, but I do not wish to attempt to remember the paragraphs in our report.

Given the present situation and given the low value of the Canadian dollar, what would the agreement which Senator Eyton supports do specifically to attract new investment in Canada? From what countries with which we do not now have national treatment agreements would those new investments come under the MAI?



**Senator Eyton:** Thank you for the question. I did say in my remarks that Canada already has agreements covering the general subject with 24 countries. Particularly, we have NAFTA which deals with those arrangements vis-à-vis the United States and Mexico. In terms of real impact here in Canada, it might be fairly small because so much trade and investment is now governed by the existing agreements. The MAI, however, amounted to a worldwide attempt to have consistent rules with which we could all live, which would be well understood by business, international business in particular, and which would give greater confidence in investing here.

I cannot give you the quantum in terms of the advantage. I am sure there is some, but perhaps it is quite minimal.

**Senator Stewart:** That, honourable senators, is the answer I had expected, and I thank the honourable senator for that answer.

My next question is perhaps under the heading of a rich seam of anxiety. Down in the part of Canada from which I come, I am not aware of the MAI having attracted any support in the fishing industry. Right now, the Department of Fisheries has a policy which allows individual transferable quotas. A fishing person or company gets a quota. The danger that the fishers see is that if these are transferable, they will be accumulated by major companies such as National Sea Products or whatever its new name now is.

We then go on to a second concern, and this is where the MAI comes in, that those Canadian companies which have taken over from the small entrepreneurs in turn are, under the MAI, taken over by foreign investors, with the result that the people who now fish on relatively small boats become spectators. They are not even crew members on the boats. This is a real concern, not just a hypothetical one that I am conjuring up.

Has the senator had an opportunity to look at that specific problem?

**Senator Eyton:** Honourable senators, the easy answer to that is "no." It is hypothetical.

**Senator Stewart:** The future is always hypothetical.

**Senator Eyton:** The MAI does not say you cannot do it. You can do anything you want, as long as the rule is standard and applies to both your domestic Canadian business and to international business. For example, you could quantify it in terms of the size of fleet or the size of the boat or the kind of individuals that qualify for those kinds of licences. You can do it all, but you are simply not allowed to discriminate.

I think the honourable senator's concerns could be answered, but it is probably a little far out for me to try to respond. I am certainly not an expert in that area.

**Hon. Nicholas W. Taylor:** Perhaps the honourable senator would entertain another question. I am thinking particularly of the so-called banana war where the U.S., which does not produce bananas, is fighting with Europe, which also does not produce bananas, about where they should buy their bananas. Obviously the war is set in motion by U.S. capital heavily invested in

banana companies, not fisheries, in Central America. What happens if an investing country sabotages a particular banana market to protect its investment in another banana market? Would the MAI not open the doors for that to continue? Will we have little banana wars going on all over?

**Senator Eyton:** Honourable senators, all of us have weaknesses and examples where we are not perfectly fair in our dealings. I took some comfort from thinking that, at least here in Canada, we have no bananas today. It is not especially our concern. The fact is that the plea by the EU and the U.S. relative to bananas is that the WTO should rule. In fact, the U.S. has gone outside that body. They have ignored that process or procedure, and they are threatening to retaliate in other ways.

A country the size of Canada needs an international organization such as the WTO that can try to impose consistent rules internationally. That is not to say it will always work vis-à-vis our major trading partner, the U.S., or that they will always play by the rules, but then again, there are examples where we have not played by the rules either. I think it is an improvement. I do not say it is a perfect world, but it is an improvement.

**Senator Taylor:** Is the honourable senator recommending then that the MAI, although it appears to be the order of things to come, should follow better and stronger regulations set up by the WTO? In other words, would the MAI without a good WTO be dangerous?

**Senator Eyton:** Absolutely. I think an organization of that kind with solid rules is beneficial to Canada, and we should support it. The difficulty, and we encountered it ourselves in settling NAFTA, is the concern about impairing our ability to manage our own affairs. It is almost a constitutional concern. That is particularly felt by the U.S. Congress. There is a reluctance to be entirely bound, and there are exceptions where people can escape. In our case, we have the cultural exemption in NAFTA. We insisted on that because of the politics and the sense in Canada that that area should be exempted. However, the drive should be towards a WTO and towards dispute settlement mechanisms that work, and clear rules.

●(1600)

**The Hon. the Speaker:** If no other honourable senator wishes to speak, this inquiry shall be considered debated.

## ELECTION OF CANADA TO UNITED NATIONS SECURITY COUNCIL

### INQUIRY—ORDER STANDS

On the Order:

Resuming debate on the inquiry of the Honourable Senator Roche calling the attention of the Senate to the election of Canada to the United Nations' Security Council for 1999-2000, and Canada's role in contributing to peace, global security and human rights in the world on the eve of the new millennium.—(*Honourable Senator Graham, P.C.*)



**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, this is an important inquiry raised by the Honourable Senator Roche. I am not prepared to speak on it today as I wish to speak on another matter.

Given that Royal Assent is scheduled for 4:30 p.m. today, with the understanding that the bells will ring at 4:15 p.m., I should like to stand the inquiry and assure honourable senators that I will speak at the first opportunity.

**The Hon. the Speaker:** Is it agreed, honourable senators?

**Hon. Senators:** Agreed.

Order stands.

## SECURITY IN EUROPE

INQUIRY—DEBATE ADJOURNED

**Hon. Jeremiah S. Grafstein** rose pursuant to notice of March 9, 1999:

That he will draw the attention of the Senate to the Canada-Europe Parliamentary Association (OSCE) Delegation to the Standing Committee Meeting of the Parliamentary Assembly of the Organization for Security and Cooperation in Europe (OSCE PA), held in Vienna, Austria, from January 14 to 15, 1999 and the situation in Kosovo.

He said: Honourable senators, deep in the heart of old imperial Vienna sits the Hofburg Palace, former residence of the Habsburg Emperors. From this majestic edifice, Hitler, in 1938, celebrated the Anschluss between Germany and Austria with the citizens of Vienna. It was in a wing of this same palace that the OSCE convened the quarterly meeting of its standing committee on January 14 and 15, 1999. I was invited to attend in my capacity as a member of the extended bureau and as Vice-Chairman of the Economic Committee.

The report of that meeting, tabled earlier today, details the reports and the menu digested in Vienna. Vienna, once the eastern frontier of Europe, bestrides the fabled Danube River that is more than twice as long as any great river in Europe — over 1,700 miles — which flows through seven countries from the Black Forest of Germany deep in the centre of Europe, through Austria, then on to the Balkans and beyond to the Black Sea. Kosovo, that hotbed of current unrest, lies nearby and not too far south below the fabled Danube.

Reports at our meeting came from the OSCE High Commissioner on National Minorities and the Office for Democratic Institutions and Human Rights describing 19 missions planned for 1999 in Eastern Europe, in 14 Eastern European states. The OSCE representative on Freedom of Media outlined problems confronting journalists in 40 European states. A report was heard from the Co-ordinator of Economic Environmental Activities, as well as from the Gender Advisor

respecting human rights violations against trafficking in women and children; along with one concerning women's electoral rights.

We then heard from the President of the Austrian Parliament and the Austrian Chancellor, who brought greetings. As well, the report on the Seminar on Conflict Resolution held in the Caucasus in Tbilisi, Georgia, on October 5 and 6, which I attended as one of the guest speakers, and which I reported to the Senate, was also tabled. Finally, preparations for a separate regional conference, the sub-regional Economic Co-operation Conference in Nantes, France, in October 1999, was received.

All in all, it was a busy and congested menu, highlighting dozens of OSCE initiatives, all with one central purpose — the development of civil, democratic structures in Europe. If there is one lesson we could learn in this century, it is that democracy is not a wild flower. A civil society does not grow without constant cross-pollination and constant nurturing care. A civil society works best when it works daily at every level of society.

However, honourable senators, while the scope of the activities of the OSCE committees on democratic development is widening, deepening and improving in sophistication and impact at the core of the meeting was the smouldering resolution dealing with Kosovo. The debate centred on the use of force as a mechanism to bring that conflict to at least a peaceful stalemate in order to resolve much deeper problems.

The resolution, soft in contours, was settled mainly between the U.S. and Russian interlocutors. However, the news media skips lightly over a most significant development, a very dangerous experiment; that is, the transfer of democratic technology. Perhaps the news media prefers not to deal with complexity and, thus, cannot structure itself to do so except to broadcast history as vignettes and episodes in retrospect.

There is something about which the Canadian public should be aware. It is that there is something very different and very dangerous being tested in Kosovo. Over 2,000 citizen volunteers from North America and Europe, including parliamentarians, experts with a military or police background, lawyers specializing in human rights, many with experience in the field of election supervision, expertise in civil society, refugee and resettlement issues, and others, have been seconded by the OSCE participating states to the Kosovo Verification Mission commonly referred to as the KVM.

Let me repeat, honourable senators, over 2,000 unarmed citizen volunteers, including parliamentarians, are in Kosovo and are preparing to go there.

The Kosovo Verification Mission is the largest, most complex and challenging non-military mission that the OSCE, or indeed any other international organization, has undertaken since the aftermath of World War II. The OSCE structure is light. Let us hope that its reach does not exceed its grasp. This challenge will test the OSCE as no other action. The KVM will verify the effectiveness of the former Republic of Yugoslavia's compliance with United Nations Security Council Resolutions 1260 and

1999. It will verify ceasefires, movement of troops, assistance for the return of refugees and displaced persons, supervise elections, assist in forming elected bodies of self-administration and democratizing police forces, thereby promoting human rights and democracy building. All of this is much easier said than done.

Another new task has been assigned today to the KVM. I quote from the press today, which states:

Madam Justice Louise Arbour of the Ontario Court of Appeal, Chief Prosecutor for the United Nations War Crimes Tribunal, said yesterday that she has asked international observers to help her piece together grisly events in Kosovo, including the alleged roundup of 100 ethnic Albanians recently by Serb police.

"We are looking to OSCE Verifiers to provide us with an account of their observations on all matters that may fall within our jurisdiction, historical or ongoing," Judge Arbour said in The Hague.

To go back to the context, the OSCE Permanent Council decided on October 15 last to deploy citizens from OSCE states toward this verification mission to measure factual compliance by all parties in Kosovo. The OSCE mission was endorsed by the UN Security Council on October 24 and was established by the OSCE Permanent Council by Decision 263 on October 25.

The UN resolution called for the creation of a mission numbering about 2,000 unarmed expert verifiers from OSCE participating states. Their prime mandate, as I outlined, is simple, yet complex. It is to verify compliance of all parties in Kosovo with UN Security Council resolutions. These resolutions call for ceasefire, withdrawal of security units, restrictions against civilian repression, safe return of refugees and displaced persons, the commencement of meaningful dialogue about political solutions and the current crisis, and ultimately, to supervise elections in Kosovo to ensure their openness and fairness in accordance with regulations and procedures, all the while assisting in the establishment of democratic institutions and appropriately trained police forces.

Wins and losses, progress, as well as non-compliance, are to be reported regularly to the OSCE Permanent Council, the UN Security Council and other international organizations. The mandate is for one year only, with extensions upon request of the chairman. This is different in scope and magnitude than any similar unarmed non-military peace mission undertaken in recent times. By comparison, the Bosnia mission consisted of only 250 members when a structured settlement was in place.

Honourable senators, read the papers. For Kosovo, as of today, no such settlement is in sight.

Deployment of people began late in October 1998. Of concern, obviously, was the safety and security of these OSCE appointed, unarmed personnel. After much pressure, an agreement was signed with the former Republic of Yugoslavia's authorities and

the OSCE states that the former Republic of Yugoslavia would guarantee the safety and security of the KVM and all its members. The agreement states that it is up to the Federal Republic of Yugoslavia to guarantee the safety of these members. In the event of an emergency, extraction action may be needed to ensure the safety of KVM volunteers, including Canadians. To that end, NATO established a 1,600-man extraction force, based on the borders of Kosovo in the former Yugoslav Republic of Macedonia. The dangers are real, present and apparent. As I said, the mandate of the verification mission is detailed, ranging from travel arrangements to transportation and communications, transborder issues and resettlement problems.

Unfortunately, in January, several verifiers were wounded by sporadic gunfire, yet the mission continues unabated. Last week, reports were received that other verifiers were beaten and expelled from one area. Yet, as of February 5, 1999, 1,125 verifiers have been identified and have been deployed or are in the process of being deployed in Kosovo. The mission continues to expand, until it reaches its goal of about 2,000 people. Of the 1,125 assigned, Canada has contributed 131 experts. It is my understanding that this could be expanded to include an additional 45. Included in the Canadian personnel are police, communications and legal specialists.

•(1610)

Honourable senators, this is a highly dangerous experiment, yet a significant step in fulfilling the gap between resolutions in the air at the UN and observation on the ground of flagrant human rights and breaches of international standards. I have a nagging concern that Canadian citizens, non-military and unarmed personnel, have been sent without a clear political settlement, an umbrella of security or a careful parliamentary review of these issues. It is interesting to note that today, in the American Congress, they intend to have a debate and a vote as to whether to endorse U.S. military peacekeepers in Kosovo.

Meanwhile, the struggle in Kosovo, from a political standpoint, remains a hot and explosive issue. Contesting representatives met outside of Paris, at Rambouillet, to craft an agreement, led by a ministerial contact group including six countries in all. Today we are told that Ambassador Holbrooke's, the American special envoy, efforts have been fruitless in bringing the Serbs and various Albanian factions back to the table. The OSCE states, led by the United States and Britain, have deployed NATO forces with a view to providing maximum pressure, particularly on Serbian authorities to redress issues in Kosovo. As honourable senators know, Kosovo is 10 per cent Serbian descent, 90 per cent Albanian descent. Kosovo, however, is the mythic heartland of so-called "Greater Serbia." The basic issue remains the relationship between the Albanian majority and the Serbian minority within the boundaries of Kosovo and the role of Kosovo as a part of the Serb-dominated Yugoslav federation or as an independent state. Meanwhile, amidst the hiatus of political discussions in France, reports are received that Serb-led forces continue to ethnically cleanse small Albanian villages one at a time.



This verification mission is little known and little understood. The media has focussed on the military threats by NATO, led by the U.S. and Britain, to evoke Serbian compliance to a peaceful and equitable settlement. In reading the press or watching the media, as I said, little or no attention is given to this massive, non-military, unarmed, international intervention that deals in part with the root problems provoked by the civil war in the former Republic of Yugoslavia.

Honourable senators, the Balkans question erupted in 1903 with the regicide of King Alexander of Serbia, in Belgrade. The word "Balkans" comes from the Turkish word for mountains. More over, the word "Balkans" has become a miserable metaphor for the 20th Century. To Balkanize means to boil away problems to their sizzling, volatile and simple essence. The smaller the groups, the tinier the geography, the higher the intensity of dispute. It is interesting to note that this century of state-supported terrorism started in Italy with state-supported camps to train terrorists destined to undermine governments in the Balkans for regional dominance. Therefore, we end this century with the same root problems unresolved, and if anything, worse.

At the conclusion of this inquiry, I hope to delineate the root causes of the obscene acts of ethnic cleansing which have so transfigured peace in this hotbed region in the south-eastern, neglected corner of Europe. Since the collapse of the Soviet Empire, the Balkan question has re-emerged as a central, unresolved and political murky morass. Honourable senators will not be surprised to discover that actions external to the former Republic of Yugoslavia, inaction by western democratic states, knowing or at least negligent, collaborationists, in this final debacle in the last decade of this century shall forever be known as the killing century.

I welcome other senators who wish to participate in this inquiry. This is the second opportunity the Senate has had to debate Kosovo. I note the thoughtful speech by Senator Forrestall, who focussed on the danger to Canadian troops to be deployed in Kosovo. I agree this is a volatile and dangerous situation. However, honourable senators, Canadian verifiers are also in harm's way and could become pawns in any fast outbreak of violence evoked by imminent NATO action.

The unravelling of the former Federal Republic of Yugoslavia that led to both Croatian and Serbian genocide in Bosnia and the equally horrendous acts of inhumanity by citizens of Serbian and Albanian extraction in Kosovo is a sad tale looking for a lesson.

The fault lies in part with the popular fiction that the people of the Balkans can never reach the standards of a civil society, that they can never achieve any peaceful pluralism. Honourable senators are likely aware that the warring factions in the former Yugoslavia come from the same Slavic ethnic groups. They speak the same language, they share similar names with perhaps one minor exception, with some religious differences.

As a result of acts of omission and commission instigated by exaggerated claims of history, zealous churchmen and avaricious and ambitious politicians all abetted by those states who held similar ambitions for mean, low political goals beyond the borders of the former Yugoslavia have contributed to present violent impasse.

**The Hon. the Speaker:** Honourable Senator Grafstein, I regret to interrupt you, however, the 15-minute speaking period has expired.

**Senator Grafstein:** Your Honour, I seek leave to continue.

**The Hon. the Speaker:** Honourable senators, is leave granted?

**Hon. Senators:** Agreed.

**Senator Grafstein:** Honourable senators, let me conclude with this note: All parties have drawn from the toolbox of frantic nationalism. Let me list a decalogue of these miserable tools that uncovers the pathology of nationalist extremism. These tools are always the same: first, false, mythic origins and exaggerated history; second, a transference to others as an excuse for all ills; third, economic deprivation and paralysis invoked by either inflated military budgets or sovereignty policies; fourth, distorted claims of humiliation always caused by others; fifth, worship of minor differences; sixth, fomenting false fears and feelings of insecurity against others; seventh, marginalization of moderates; eighth, a one-eyed media; ninth, bloated claims of sovereignty; tenth, preaching notions of religious superiority that define others as inferior or, worse, polluters of the pure faith and pure life.

Without an autopsy of this entrenched Balkan mindset, we cannot arrive at good questions, let alone answers.

I hope other senators will participate in this inquiry and Senator Forrestall's inquiry so that, together, the Senate can address this growing wound in the side of the democratic idea.

**Hon. Eymard G. Corbin:** Honourable senators, I wonder if Senator Grafstein would entertain a question. I do not believe he told us how many Canadians are participating in the KVM. Could he tell us if they are indeed participating of their own free will or were they seconded from other duties?

•(1620)

**Senator Grafstein:** Honourable senators, it is my understanding that there are 131 Canadians presently deployed on in the process of being deployed in Kosovo. An additional 40 have been promised. It is my understanding that all of these are volunteers. They have full knowledge of the danger and are going to Kosovo as citizen volunteers. Many of them are military police personnel, lawyers, social workers and others. All of them are volunteers.

On motion of Senator Roche, debate adjourned.



## FOREIGN AFFAIRS

REFORMS TO INTERNATIONAL MONETARY FUND—COMMITTEE  
AUTHORIZED TO STUDY—NOTICE OF MOTION AMENDED

On the Order:

That the Standing Senate Committee on Foreign Affairs be authorized to examine and report on possible reforms to the International Monetary Fund, especially in its economic and financial surveillance activity and its lending practices, and on other international financial and trade developments;

That the committee have power to engage the services of such counsel and technical, clerical and other personnel as may be necessary for the purpose of its examination and consideration of the said order of reference;

That the committee have power to adjourn from place to place inside and outside Canada; and

That the committee submit its final report no later than March 31, 2000 and that the committee retain all powers necessary to publicize the findings of the committee contained in the final report until April 22, 2000.

**Hon. John B. Stewart:** Honourable senators, I am told that this motion must be amended by the deletion of paragraphs two and three. I understand that the Speaker has authority from the Senate to make that correction in the draft motion. With the deletion of those two paragraphs, I move the motion standing in my name.

**The Hon. the Speaker:** Honourable senators, it is moved by the Honourable Senator Stewart, seconded by the Honourable Senator Watt:

That the Standing Senate Committee on Foreign Affairs be authorized to examine and report on possible reforms to the International Monetary Fund, especially in its economic and financial surveillance activity and its lending practices, and on other international financial and trade developments; and

That the committee submit its final report no later than March 31, 2000 and that the committee retain all powers necessary to publicize the findings of the committee contained in the final report until April 22, 2000.

Is it your pleasure, honourable senators, to adopt the motion?

**Hon. Senators:** Agreed.

Motion agreed to.

## CANADA AND THE NUCLEAR CHALLENGE

MOTION TO ENDORSE REPORT OF FOREIGN AFFAIRS  
AND INTERNATIONAL TRADE COMMITTEE—  
POINT OF ORDER—DEBATE SUSPENDED

**Hon. Douglas Roche,** pursuant to notice of March 3, 1999, moved:

That, whereas the proliferation of nuclear weapons poses a real and ongoing threat to global security, and recognizing the strong conclusions of the Standing Committee on Foreign Affairs and International Trade in their study, "Canada and the Nuclear Challenge," the Senate of Canada fully supports the disarmament and non-proliferation objectives of the Report, and urges the Government of Canada to carefully consider its recommendations when preparing its response.

## POINT OF ORDER

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, I rise on a point of order. While not opposing the principle contained in this motion, it may be helpful for honourable senators to receive some clarification and direction from His Honour. As I read the motion, it seems to rest on a report of the other place. To my knowledge, no message has been received by the Senate from the other place. That is my first concern.

Honourable senators, the theme that runs through the rules of this place is to maintain a very clear distinction in our bicameral Parliament between the other place and this place. For example, in the Senate, senators may not read speeches from the Hansard of the other place. That seems to be the principle. I am not sure whether that principle applies also to reports. They may be very good reports, but that is not the point. The point is that we are a separate house. I think we need some clarification on this matter.

*Odgers' Australian Senate Practice*, which speaks to the practice of their bicameral system, points out that:

In a bicameral system the conduct of relations between the two houses of the legislature are of considerable significance...

I do not raise this point of order because I have any difficulty with the principle underlying the motion. However, I do raise, as a serious question, the importance of the separation of the two houses. As Odgers says, it is, indeed, of considerable significance.

If the essence of this motion speaks to a report from the other place, we must determine whether that report finds its way here by way of a message. Is there a special transmission, or do we merely go to the library? It is not that it is a report of the other place. It is like another piece of literature. If that is the case, then I have no procedural difficulty.

In Erskine May's *Parliamentary Practice*, twenty-second edition, page 610, under the section entitled "Communications Between the Lords and the Commons," the author draws our attention again to the fact that:

The two Houses of Parliament have frequent occasion to communicate with each other, not only in regard to bills which require the assent of both Houses, but with reference to other matters connected with the proceedings of Parliament.

Clearly, a report such as a report that the honourable senator is building his motion upon is a proceeding of that other place, but how does it get from there to here? The models of communication traditionally are by message. We have all had some experience with joint committees, but in a joint committee report, we are party to that report. I am not clear on how the opposite house deals with such a report and its findings. I would invite other honourable senators who might have thought of this to perhaps comment. If the matter is deemed by honourable senators not to be of significance — although the literature suggests it is — I have no difficulty with the motion. However, I do wish some thought and reflection be given to that point.

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, we are dealing with two issues in this particular motion by Senator Roche. One is the concept, as Senator Kinsella has placed before us, of whether this chamber should be dealing with a report of the other place that we have not studied. The Standing Senate Committee on Foreign Affairs, which would normally be the producer of such a report, has not taken under advisement the study of this issue. Then we have the issue of the proliferation of nuclear weapons and the threat to global strategy that has been raised by Senator Roche.

Obviously His Honour must rule as to whether this particular motion is in order. Perhaps if we could hear from Senator Roche, he may be prepared to come back to the chamber the next time we sit with an amended motion removing the references to the House. Then we could deal with it. That, of course, would be up to Senator Roche.

**Hon. Douglas Roche:** Honourable senators, I wish to thank Senator Kinsella and Senator Carstairs for their comments. It goes without saying that my first desire is to follow the *Rules of the Senate* to the letter. In perhaps innocence, I gave notice of the motion a week ago and noted that I had drawn the attention —

•(1630)

**The Hon. the Speaker:** I regret that I must interrupt the honourable senator. It is now 4:30 p.m. I am prepared to say now that I will take the matter under advisement and check further if that is satisfactory.

**Hon. Eymard G. Corbin:** I wish to contribute to the point of order at some point.

**The Hon. the Speaker:** I am sorry but the Speaker has the right to decide when he has heard enough on a point of order. For the expedition of our work, unless Senator Corbin insists, I would prefer to proceed and report back.

**Senator Corbin:** Are you suspending the sitting?

**The Hon. the Speaker:** Yes.

**Senator Corbin:** That is fine with me but we can continue with this afterwards.

**The Hon. the Speaker:** The Senate will now adjourn during pleasure to await the arrival of His Excellency.

The Senate adjourned during pleasure.

[Translation]

## ROYAL ASSENT

The Honourable J.E. Michel Bastarache, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, having come and being seated at the foot of the Throne, and the House of Commons having been summoned, and being come with their Deputy Speaker, the Right Honourable the Deputy Governor General was pleased to give the Royal Assent to the following bills:

An Act to amend the Insurance Companies Act  
(*Bill C-59, Chapter 1, 1999*)

An Act to amend the Competition Act and to make consequential and related amendments to other Acts  
(*Bill C-20, Chapter 2, 1999*)

An Act to amend the Nunavut Act with respect to the Nunavut Court of Justice and to amend other Acts in consequence (*Bill C-57, Chapter 3, 1999*)

An Act to amend the Royal Canadian Mint Act and the Currency Act (*Bill C-41, Chapter 4, 1999*)

An Act to amend the Criminal Code, the Controlled Drugs and Substances Act and the Corrections and Conditional Release Act (*Bill C-51, Chapter 5, 1999*)

An Act to change the name of the electoral district of Argenteuil—Papineau (*Bill C-465, Chapter 6, 1999*)

An Act to change the name of the electoral district of Stormont—Dundas (*Bill C-445, Chapter 7, 1999*)

An Act to change the name of the electoral district of Sackville—Eastern Shore (*Bill C-464, Chapter 8, 1999*)

The House of Commons withdrew.

The Right Honourable the Deputy Governor General was pleased to retire.

English]

•(1650)

The sitting of the Senate was resumed.

## CANADA AND THE NUCLEAR CHALLENGE

MOTION TO ENDORSE REPORT OF FOREIGN AFFAIRS  
AND INTERNATIONAL TRADE COMMITTEE—POINT OF ORDER—  
SPEAKER'S RULING RESERVED

On the Order:

Resuming debate on the motion of the Honourable Senator Douglas Roche, seconded by the Honourable Senator Keon: That, whereas the proliferation of nuclear weapons poses a real and ongoing threat to global security, and recognizing the strong conclusions of the Standing Committee on Foreign Affairs and International Trade in their study, "Canada and the Nuclear Challenge," the Senate of Canada fully supports the disarmament and non-proliferation objectives of the Report, and urges the Government of Canada to carefully consider its recommendations when preparing its response.

**The Hon. the Speaker:** Honourable senators, when we rose we were on the point of order raised by the Honourable Senator Kinsella and Honourable Senator Corbin had the floor.

**Hon. Eymard G. Corbin:** Honourable senators, I want to say at the outset that I certainly have no quarrel with the objective of Senator Roche. That is not the problem. I find myself in some considerable agreement with my New Brunswick colleague Senator Kinsella on this one.

The fact is that a committee of this house has not had the opportunity to examine in detail the preliminaries which led a committee of the House of Commons to attain certain conclusions. It is true that, earlier this week, in our own Foreign Affairs Committee, chaired by Senator Stewart, we did have a cursory and general briefing by a researcher of the other place on what took place in that committee prior to our meeting yesterday with the delegation from the United States of America. However, personally am far from satisfied that we have had a reasonable and ample opportunity to go into the depth of this matter.

Honourable senators, it may be superfluous to say that no one is against fatherhood or motherhood and everyone is against nuclear arms in this country. I am quite sure that is so, except for maybe some oddball. That is not really the question at hand. The question is the relationship between the two Houses. There are ways of doing things.

The House of Commons decided not to invite the Senate to join with them on a joint committee for this exercise, as they have in the past on matters of joint national and international interest. I have yet to understand why, in this instance, we were not invited. Perhaps informally there was an invitation. I am not

aware of it. Nevertheless, this is a matter of such grave consequence that this house and its members are entitled to do their own work, their own research.

We exist for a reason. It is not for nothing that we often amend legislation which comes from the other place. An analogy can be made of the matter Senator Roche has brought before the house. I have a problem with the wording of his motion. He should have indicated that the report of the committee in question was a report of a committee of the House of Commons. I told him that privately and I think the motion ought to be amended in that respect so that everyone knows the source of the information. Then again I recognize his absolute right to bring before this house a matter by way of inquiry, formal motion or otherwise. This is a place of discussion, a place of debate.

Leaving that aside for one moment, the motion deals with a matter which occurred in the other place. There are means of dealing with matters or invitations coming out of the other place. In light of what is happening these days, in light of the beating the Senate is getting from members of the other place, in the media, and in public opinion, we ought to do everything to prevent the erosion of our independence in this house. If we are to do something, we ought to do it in an orderly, traditional way of proceeding.

Again, I insist this takes nothing away from Senator Roche's initiative. Perhaps I may suggest a way out. Rather than requesting that the Senate come to a conclusion at this time, I suggest that Senator Roche amend his motion to refer the subject-matter to the Standing Senate Committee on Foreign Affairs. That committee could then report to the house their opinion as to whether that committee should launch its own in-depth examination of the question. We could then take a very informed and intelligent position and make a rational decision on the proposal put before us by Senator Roche. That is the only point I wanted to make today.

**Hon. John B. Stewart:** Honourable senators, we have been talking procedure, on the one hand, and we have been talking about substance, on the other hand. It seems to me that the point of order relates to procedure. I do not know any rule or precedent which says that the Senate cannot take cognizance of any public document, even a document coming from the other place. What debars us from so doing? Perhaps there are precedents, but I do not remember them.

•(1700)

This is not a bill for which there is a legislative process. Let us say it was an article in a newspaper. We could take cognizance of that and proceed to do work on that basis. I do not see why we cannot do the same with a report from the House of Commons.

Going beyond that, if the Senate were to decide to allow Senator Roche's motion, then we could make all sorts of comments about the members of the Senate being very busy now, particularly the Foreign Affairs Committee. If you look at the preceding two motions from the Foreign Affairs Committee, they anticipate a busy time for that committee. That is a substantive point.



The procedural point is whether we can take cognizance of this report of the other place. To my knowledge, there is no good reason why we cannot.

**Hon. Douglas Roche:** Honourable senators, I am encouraged by the comments of Senators Kinsella, Carstairs, Corbin and Stewart. I repeat that I am most willing — and, that should go without saying — to follow the *Rules of the Senate*.

I gave notice of this motion a week ago, in good faith — and, as I said before, perhaps in innocence — that it would be in order. Since then, I have not received any communication from anyone that would indicate otherwise.

I am concerned that we are now getting into a procedural debate about the efficacy of our dealing with a House report. I am much less concerned about that than I am in respectfully drawing to the attention of the Senate the principles underlying the motion and having the Senate express its views. If I receive advice on this matter — that is, if that is the judgment that is offered to me — I would be happy to amend this motion and to remove the reference to the House. I will take it right off the Order Paper.

With respect to Senator Stewart's comment following Senator Corbin, I, too, feel that the Standing Senate Committee on Foreign Affairs has a heavy plate. As Senator Stewart has just reminded us, it is proceeding with two new mandates. I would be reluctant to impose on the Senate's Foreign Affairs Committee a whole study on this subject. I thought that the information that is in the House of Commons study was of such quality — after all, it took them two years to do it — that honourable senators could draw from it to inform themselves. That is why, when I gave notice of the motion a week ago, I drew the attention of the Senate to the existence of that report on December 10, 1998, the day the House report was tabled. I did that under Senators' Statements in this chamber. The three months that has elapsed since that time would have provided honourable senators sufficient time to decide whether they agreed or did not agree with it.

I do not want to impose my views on anyone. I just hope that we can have the Senate come to a determination on the matter at hand, namely, the essential recommendation that was made dealing with the NATO review. There is some urgency in my mind, and I am not disposed to ask the Senate to go down a long road because the NATO summit on April 15, a well-publicized summit, will deal with the request that there be a review of NATO's nuclear weapons policies.

The Government of Canada is seized of this issue. In a few days, cabinet will receive a submission that will give it an opportunity to make a formal government policy, based on the information that was contained in the House report that is summarized in 15 recommendations. Thus, "for the Senate to be effective," in the words of Senator Corbin — and, I certainly agree with what he said about the need to establish the effectiveness of the Senate — I thought it would be helpful if, in the cabinet's deliberations on what they will say in a formal

statement on Canada's policies on nuclear weapons, they could take into consideration the views of the Senate of Canada, as expressed by this motion.

Honourable senators, I am in a dilemma, which I will express this way. I will instantly follow your ruling. If you rule that motion is in order, I will get up and speak on it. If you indicate that it will give you a problem, then, if you will allow me, I will offer an amendment. However, I do not have the wording of that amendment written down. I should like to negotiate that amendment with the leaders on both sides of the aisle. If you so indicate, I will return with an amended motion that will then stand a reasonable chance of passage in the Senate. I should like to take that action at the earliest opportunity that would be reasonable for everyone concerned.

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, this is the first occasion to raise in this chamber any concerns that we have with the motion that is before us, namely, when the motion is brought forward for acceptance and discussion in this chamber.

I concur with Senator Corbin that it speaks to a serious issue of our bicameral system. The words used in the motion do not suggest that we simply take cognizance because the motion reads, in part, "recognizing the strong conclusions of the Standing Committee on Foreign Affairs," which we all understand is the House of Commons standing committee. In the next paragraph, the active verb is that we "support" this report. If adopted, it would be a motion of the Senate that we support fully the objectives of the report. These are the words contained in the motion.

There is a third action that is contained within the motion, namely, that, by a decision of the Senate, we would urge the government to consider the recommendations of that report.

The particular report is germane to the motion here, and it is quite close to a bill coming by way of a message to this house. It is not like another piece of literature in the library that we simply take cognizance of by the words that are in the motion before us. I wish to underscore that.

**Hon. Jeremiah S. Grafstein:** Honourable senators, I read briefly and quickly the report of the other standing committee. I did that as a result of a briefing session that Senator Roche convoked with the Standing Senate Committee on Foreign Affairs to brief us for the meeting with former U.S. defence secretary Robert McNamara, former general Lee Butler, Ambassador Graham and others yesterday. I think we met the day before. That was the first time that I was seized of it and read it at the chairman's urgings. The chairman said, "We should take a look at this," so I reviewed it cursorily.

•(1710)

**Senator Stewart:** You were urged to read it, but now we are being told that we should not have taken cognizance of the report.

**Senator Grafstein:** I have taken both cognizance of it and have read it cursorily. I think that Senator Roche does put us in a bit of a dilemma, and I will explain my personal dilemma with this matter.

The last time we took, in effect, cognizance of a committee report of the foreign affairs committee of the other place, it dealt with, as I recall, NATO expansion. The Senate, after some deliberation, took a very opposite view, both of the recommendations of that committee and the policy of the government. I believe that I was the only parliamentarian to make a speech against NATO expansion. The reason I was the only one is that it was at the very end of a session and I insisted upon standing up and making that comment. I stand to be corrected. There may have been others, but to my recollection I was the only one.

**Hon. Marcel Prud'homme:** I opposed it with you.

**Senator Grafstein:** Senator Prud'homme adds his name in support.

My point is that we were told at the meeting yesterday, in examination of the witnesses who were supporting those recommendations, which we are now asked to support, that that committee was wrong because it was counter-productive, as I put it, to support expansion and then look to nuclear reduction. It was an inconsistent policy; first, instigating expansion of nuclear weapons and, second, in effect reduction.

Having said that, I am sceptical of decisions taken for immediate purposes in the other place, particularly with regard to recent foreign policy issues. I have detected off-the-cuff reactions to popular public issues with little in-depth study.

However, I was quite impressed by these distinguished visitors who were very enamoured by the report. I would like to be enamoured by the report. It is flattering to have great American experts supporting a report of Parliament, but, I am not convinced.

**Senator Corbin:** It was not unanimous.

**Senator Grafstein:** I remain unconvinced by the hour-long review yesterday, which did not deal in-depth with strategic questions, the question of de-alerting, or the problems in Russia, that we should accept, wholesale, the recommendations. I might come to that conclusion after more careful study. We have been put in a time bind. We have a dilemma. If we want to have a role in important foreign policy deliberations, we have to take a sober look in conjunction with the other place. However, at this moment I remain unconvinced about these recommendations.

I am prepared to do the work and study on my own, and to participate in the debate, but both the visitors yesterday and the recommendations raise some very complex strategic issues. I, as a lone amateur, am not satisfied with the proposition they put on the table, which is essentially to move away from first strike capability based on a moral proposition. We do not live in a moral world, and that was the basis of it.

Based on the evidence I heard yesterday, I am not convinced. Based on my cursory reading of the report, I remain unconvinced. I am prepared, as I am sure are other senators, to deal with this issue in due process, but we are tied by the agenda of the Foreign Affairs Committee, which has no time.

I do not know where we go from here.

**The Hon. the Speaker:** Honourable senators, we are getting into the substance of the question. The point before us, the point of order, is whether the matter is in order, not the substance of it. Unless any other honourable senator wishes to speak, I am prepared to take the matter under advisement.

**Senator Stewart:** Honourable senators, I suggest that Senator Roche seek leave to withdraw this motion and that, if he wishes, he bring forth a motion making no reference to the House of Commons at all but repeating the words in recommendation 15, which are the words which say that NATO should review the whole question. We would not be deciding one way or the other; we would simply be asking NATO to consider it.

That would obviate the procedural problem and avoid involving the Senate in a long discussion and investigation of the validity of the basic argument.

**Hon. Nicholas W. Taylor:** Honourable senators, Beauchesne, sixth edition, at pages 244 and 245, talks about debating reports. I think that as long as a report is filed, its source does not matter.

**Senator Corbin:** It does matter.

**Senator Taylor:** The honourable senator might want to file the report and it could then be debated. I do not think there is anything to stop the filing of a report in this house, be it from the other place, from Russia, or anywhere else. When a report is filed, it can be debated. I see nothing in Beauchesne which indicates that the origin of the report governs whether it can be filed.

**Senator Corbin:** I rise on a matter of clarification, but one which I consider fundamental. The report mentioned in Senator Roche's motion is not before this house. It is a report of the other place. It has never arrived before us in a proper way for our consideration. That is the fundamental argument being made here this afternoon. We all wish it were before us formally.

Senator Stewart has said that this is not a bill. Communications between the houses are not limited to bills. Reports, invitations and messages of various kinds are communicated. Surely, when a report asks for our endorsement and begs the government to take it under careful consideration, we are entitled to be given sufficient opportunity to arrive at rational conclusions. Indeed, if the matter were properly before the Senate or one of its committees, some of us may want to propose amendments to the report. Nothing prevents us from doing that. However, I am not prepared today, on the basis of the wording of this motion, to give it my support, even though I am in favour of banning nuclear weapons.



[Translation]

**Senator Prud'homme:** Honourable senators, we could debate this issue *ad nauseam*. I disagree with Senator Corbin, and I agree with Senator Taylor that we can review all the reports we want.

Senator Kinsella raised a point of order. I will sum up my thinking on the matter. I would dearly love to have this debate.

[English]

The distinguished chairman of the Foreign Affairs Committee has made a very wise suggestion.

●(1720)

I am aware of Senator Roche's motivation. I would think that the Speaker and Senator Kinsella should allow Senator Roche to adopt the suggestion of our wise chairman of the Standing Senate Committee on Foreign Affairs and amend his proposal accordingly. That should be satisfactory to Senator Corbin, who has some good points. After all, I am certain Senator Roche will agree with that. Before you accept a report with 15 recommendations, one would wish to read them all, and may disagree or agree. On this point I agree with Senator Corbin. I do agree with Senator Taylor that nothing prevents us from studying whatever report we want. We must address the question of Senator Kinsella.

In a nutshell, I believe Senator Stewart has made a very concrete proposal and now we are in the hands of Senator Roche to see if he wishes to add, accept, reject, or amend. Personally, knowing him and his real motivation, it would seem that the proposal of Senator Stewart would be satisfactory.

**Senator Roche:** I am anxious to avoid giving you, Your Honour, a problem, let alone the Senate itself. I wish to first express my gratitude to Senator Stewart. I concur with the use of the word "wise" which Senator Prud'homme applied to Senator Stewart. What he has offered us is a sound way out.

Second, for the purposes of this discussion, I am willing now to take right off the table the House report. Let us forget about that. I am willing to do that, period. I would then seek to amend my motion with the concurrence of the Senate so that it would read:

That the Senate recommend that the Government of Canada urge NATO to review its nuclear weapons policies at the summit meeting of NATO in April, 1999.

If Your Honour rules that the amendment which I am willing to make is in order, and if the Senate would be willing to allow me to give a five-minute speech on this, I would be most happy to see such a motion passed at this sitting in order that it would have an effect on the Government of Canada.

**The Hon. the Speaker:** Honourable senators, you have all heard what Honourable Senator Roche has said he would do. However, the question which I have to deal with at the moment is a point of order raised by Honourable Senator Kinsella on the motion before us. I would first need the agreement of Honourable Senator Kinsella to withdraw his point of order.

**Senator Kinsella:** Honourable senators, I do not wish to be an obstacle in the way of progress in the Senate. However, there are two difficulties. One difficulty is that if we have brought before us this afternoon a new motion, all members of the Senate will not have had notice of that new motion, and therefore, we will be dealing with something that other honourable senators will not know about. That is my first point.

My second point is: If we appear from time to time to be endeavouring to follow the rules strictly, or at least pay very careful attention to the rules of procedure, it is because we, in our system, who constitute the minority, have nothing with which to defend ourselves but the rules. My colleagues opposite, and some of their former colleagues, taught me that lesson when I first arrived here. Some of the distinguished senators who used to sit in these seats, to whom I would listen very carefully when any one of them would speak, taught me a great deal. I recall on several occasions that our system is based on that. The minority is protected by the rules. I raise these questions often because, if we do not have the rules, then it will be might that will determine right.

**The Hon. the Speaker:** Do I understand, Honourable Senator Kinsella, that you are not withdrawing your point of order?

**Senator Kinsella:** I should like to have a determination by the Speaker. The matter is sufficiently important. Based upon what I have understood from my colleagues opposite, several concur with this stance.

**Senator Prud'homme:** Honourable senators, Senator Kinsella has raised a very good point. When I was in the House of Commons, surprise motions came in after many people had left the chamber. I always — very reluctantly, and violently at times — opposed any surprise motion of which the majority was not made aware.

I call on my honourable friend and colleague to accept. At least the first part of what Senator Kinsella has said goes without saying, that it is reasonable. Senators who are not here do not know about a new motion, and it could be easily passed. Therefore, if Senator Roche would accept the wise recommendation of Senator Kinsella, to go ahead with what he is proposing, number one, and number two, to say that it should be taken at the next sitting of the Senate, then you will not need to rule. I do not know if Senator Kinsella would be happy with that.

Before you rule, Your Honour, I should like to know if Senator Kinsella would accept what would make sense to all of us: that no one be taken by surprise by something that they did not have under consideration when they left the chamber earlier.



**Hon. Sharon Carstairs (Deputy Leader of the Government):** Your Honour, I must say that I fully agree with Senator Kinsella on this point. He has raised a point of order, and you need to rule on it. That will provide clarity, not just for this incident but for future incidents.

**The Hon. the Speaker:** If no other honourable senator wishes to speak, then I will take the point of order under consideration and report at the earliest possible opportunity.

*Translation]*

#### ADJOURNMENT

Leave having been given to revert to Notices of

Government Motions:

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(h), I move:

That, when the Senate adjourns today, it do stand adjourned until Tuesday next, March 16, 1999, at 2:00 p.m.

**The Hon. the Speaker:** Is leave granted, honourable senators?

**Hon. Senators:** Agreed.

Motion agreed to.

The Senate adjourned until Tuesday, March 16, 1999, at 2 p.m.



**THE SENATE OF CANADA**  
**PROGRESS OF LEGISLATION**  
**(1st Session, 36th Parliament)**  
**Thursday, March 11, 1999**

**GOVERNMENT BILLS**  
**(SENATE)**

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
S-2	An Act to amend the Canadian Transportation Accident Investigation and Safety Board Act and to make a consequential amendment to another Act (Sen. Graham)	97/09/30	97/10/21	Transport and Communications	98/04/02	four	98/05/27	98/06/18	20/98
S-3	An Act to amend the Pension Benefits Standards Act, 1985 and the Office of the Superintendent of Financial Institutions Act (Sen. Graham)	97/09/30	97/10/21	Banking, Trade and Commerce	97/11/05	seven	97/11/20	98/06/11	12/98
S-4	An Act to amend the Canada Shipping Act (maritime liability) (Sen. Graham)	97/10/08	97/10/22	Transport and Communications	97/12/12	three	97/12/16	98/05/12	06/98
S-5	An Act to amend the Canada Evidence Act and the Criminal Code in respect of persons with disabilities, to amend the Canadian Human Rights Act in respect of persons with disabilities and other matters and to make consequential amendments to other Acts (Sen. Graham)	97/10/09	97/10/29	Legal and Constitutional Affairs	97/12/04	one	97/12/11 Senate agreed to Commons amendments 98/05/06	98/05/12	09/98
S-9	An Act respecting depository bills and depository notes and to amend the Financial Administration Act (Sen. Graham)	97/12/03	97/12/12	Banking, Trade and Commerce	98/02/24	one	98/03/19	98/06/11	13/98
S-16	An Act to implement an agreement between Canada and the Socialist Republic of Vietnam, an agreement between Canada and the Republic of Croatia and a convention between Canada and the Republic of Chile, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income	98/05/05	98/05/12	Foreign Affairs	98/05/28	none	98/06/02	98/12/03	33/98
S-21	An Act respecting the corruption of foreign public officials and the implementation of the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, and to make related amendments to other Acts	98/12/01	98/12/03	Whole	98/12/03	one at 3rd	98/12/03	98/12/10	34/98
S-22	An Act authorizing the United States to pre-clear travellers and goods in Canada for entry into the United States for the purposes of customs, immigration, public health, food inspection and plant and animal health	98/12/01	99/02/11	Foreign Affairs					



S-23	An Act to amend the Carriage by Air Act to give effect to a Protocol to amend the Convention for the Unification of Certain Rules Relating to International Carriage by Air and to give effect to the Convention, Supplementary to the Warsaw Convention, for the Unification of Certain Rules Relating to International Carriage by Air Performed by a Person Other than the Contracting Carrier	98/12/10	99/02/03	Transport and Communications	99/03/11	none	
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**GOVERNMENT BILLS  
(HOUSE OF COMMONS)**

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
C-2	An Act to establish the Canada Pension Plan Investment Board and to amend the Canada Pension Plan and the Old Age Security Act and to make consequential amendments to other Acts	97/12/04	97/12/16	Committee of the whole 97/12/17	97/12/17	none	97/12/18	97/12/18	40/97
C-3	An Act respecting DNA identification and to make consequential amendments to the Criminal Code and other Acts	98/09/30	98/10/22	Legal and Constitutional Affairs	98/12/08	none	98/12/09	98/12/10	37/98
C-4	An Act to amend the Canadian Wheat Board Act and to make consequential amendments to other Acts	98/02/18	98/02/26	Agriculture and Forestry	98/05/14	five	98/05/14	98/06/11	17/98
C-5	An Act respecting cooperatives	97/12/09	97/12/16	Banking, Trade and Commerce	98/02/24	none	98/02/25	98/03/31	01/98
C-6	An Act to provide for an integrated system of land and water management in the Mackenzie Valley, to establish certain boards for that purpose and to make consequential amendments to other Acts	98/03/18	98/03/26	Aboriginal Peoples	98/06/09	none	98/06/18	98/06/18	25/98
C-7	An Act to establish the Saguenay-St. Lawrence Marine Park and to make a consequential amendment to another Act	97/11/25	97/12/02	Energy, Environment and Natural Resources	97/12/09	none	97/12/10	97/12/10	37/97
C-8	An Act respecting an accord between the Governments of Canada and the Yukon Territory relating to the administration and control of and legislative jurisdiction in respect of oil and gas	98/03/17	98/03/25	Aboriginal Peoples	98/03/31	none	98/04/01	98/05/12	05/98
C-9	An Act for making the system of Canadian ports competitive, efficient and commercially oriented, providing for the establishing of port authorities and the divesting of certain harbours and ports, for the commercialization of the St. Lawrence Seaway and ferry services and other matters related to maritime trade and transport and amending the Pilotage Act and amending and repealing other Acts as a consequence	97/12/09	98/03/26	Transport and Communications	98/05/13	none	98/05/28	98/06/11	10/98

Bill Number	Description	Date Introduced	Committee	Date of Report	Date of Debate	Date of Passage	Date of Royal Assent	Date of Implementation
C-11	An Act respecting the imposition of duties of customs and other charges, to give effect to the International Convention on the Harmonized Commodity Description and Coding System, to provide relief against the imposition of certain duties of customs or other charges, to provide for other related matters and to amend or repeal certain Acts in consequence thereof.	97/11/19	Banking, Trade and Commerce	97/12/04	none	97/12/08	97/12/08	36/97
C-12	An Act to amend the Royal Canadian Mounted Police Superannuation Act	98/04/28	Social Affairs, Science & Technology	98/06/04	none	98/06/08	98/06/11	11/98
C-13	An Act to amend the Parliament of Canada Act	97/10/30	Legal and Constitutional Affairs	97/11/06	none	97/11/18	97/11/27	32/97
C-15	An Act to amend the Canada Shipping Act and to make consequential amendments to other Acts	98/05/05	Transport and Communications	98/06/10	none	98/06/11	98/06/11	16/98
C-16	An Act to amend the Criminal Code and the Interpretation Act (powers to arrest and enter dwellings)	97/11/18	Legal and Constitutional Affairs	97/12/16	none	97/12/17	97/12/18	39/97
C-17	An Act to amend the Telecommunications Act and the Teleglobe Canada Reorganization and Divestiture Act	97/12/09	Transport and Communications	98/03/25	none	98/04/29	98/05/12	08/98
C-18	An Act to amend the Customs Act and the Criminal Code	98/02/10	Legal and Constitutional Affairs	98/04/02	none	98/04/28	98/05/12	07/98
C-19	An Act to amend the Canada Labour Code (Part I) and the Corporations and Labour Unions Returns Act and to make consequential amendments to other Acts	98/05/26	Social Affairs, Science & Technology	98/06/18	none	98/06/18	98/06/18	26/98
C-20	An Act to amend the Competition Act and to make consequential and related amendments to other Acts	98/09/24	Banking, Trade and Commerce	98/12/03	none + two at 3rd concour in Commons amendments referred to Committee 99/02/11	98/12/10	99/03/11	02/99

C-21	An Act to amend the Small Business Loans Act	98/03/19	98/03/25	Banking, Trade and Commerce	98/03/26	none	98/03/31	98/03/31	04/98
C-22	An Act to implement the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction	97/11/25	97/11/26	Foreign Affairs	97/11/27	none	97/11/27	97/11/27	33/97
C-23	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1998	97/11/26	97/12/04	—	—	—	97/12/08	97/12/08	35/97
C-24	An Act to provide for the resumption and continuation of postal services	97/12/02	97/12/03	Committee of the whole	97/12/03	none	97/12/03	97/12/03	34/97
C-25	An Act to amend the National Defence Act and to make consequential amendments to other Acts	98/06/11	98/06/18	Legal and Constitutional Affairs	98/11/24	one	98/12/01	98/12/10	35/98
C-26	An Act to amend the Canada Grain Act and the Agriculture and Agri-Food Administrative Monetary Penalties Act and to repeal the Grain Futures Act	98/06/08	98/06/16	Agriculture and Forestry	98/06/18	none	98/06/18	98/06/18	22/98
C-28	An Act to amend the Income Tax Act, the Income Tax Application Rules, the Bankruptcy and Insolvency Act, the Canada Pension Plan, the Children's Special Allowances Act, the Companies' Creditors Arrangement Act, the Cultural Property Export and Import Act, the Customs Act, the Customs Tariff, the Employment Insurance Act, the Excise Tax Act, the Federal-Provincial Fiscal Arrangements Act, the Income Tax Conventions Interpretation Act, the Old Age Security Act, the Tax Court of Canada Act, the Tax Rebate Discounting Act, the Unemployment Insurance Act, the Western Grain Transition Payments Act and certain Acts related to the Income Tax Act	98/04/28	98/05/12	Banking, Trade and Commerce	98/06/04	none	98/06/16	98/06/18	19/98
C-29	An Act to establish the Parks Canada Agency and to amend other Acts as a consequence	98/06/03	98/06/15	Energy, the Environment and Natural Resources	98/10/20	none	98/11/19	98/12/03	31/98
C-30	An Act respecting the powers of the Mi'kmaq of Nova Scotia in relation to education	98/06/11	98/06/16	Aboriginal Peoples	98/06/18	none	98/06/18	98/06/18	24/98
C-31	An Act respecting Canada Lands Surveyors	98/05/07	98/05/26	Energy, the Environment and Natural Resources	98/06/09	none	98/06/10	98/06/11	14/98
C-33	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1998	98/03/18	98/03/25	—	—	—	98/03/26	98/03/31	02/98
C-34	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1999	98/03/18	98/03/26	—	—	—	98/03/31	98/03/31	03/98



C-35	An Act to amend the Special Import Measures Act and the Canadian International Trade Tribunal Act	98/12/07	99/02/17	Foreign Affairs			
C-36	An Act to implement certain provisions of the budget tabled in Parliament on February 24, 1998	98/05/28	98/06/08	National Finance	98/06/15	none	98/06/17 98/06/18 21/98
C-37	An Act to amend the Judges Act and to make consequential amendments to other Acts	98/06/11	98/09/22	Legal and Constitutional Affairs	98/10/22	eight	98/11/04 98/11/18 30/98
C-38	An Act to amend the National Parks Act (creation of Tuk Tuk Nogait National Park)	98/06/15	98/06/17	Energy, the Environment and Natural Resources	98/12/01	none	98/12/10 98/12/10 39/98
C-39	An Act to amend the Nunavut Act and the Constitution Act, 1867	98/06/03	98/06/08	Aboriginal Peoples	98/06/09	none	98/06/10 98/06/11 15/98
C-40	An Act respecting extradition, to amend the Canada Evidence Act, the Criminal Code, the Immigration Act and the Mutual Legal Assistance in Criminal Matters Act and to amend and repeal other Acts in consequence	98/12/02	98/12/10	Legal and Constitutional Affairs			
C-41	An Act to amend the Royal Canadian Mint Act and the Currency Act	98/12/02	98/12/09	National Finance	99/02/18	none	99/03/02 99/03/11 04/99
C-42	An Act to amend the Tobacco Act	98/12/02	98/12/08	Legal and Constitutional Affairs	98/12/10	none	98/12/10 98/12/10 38/98
C-43	An Act to establish the Canada Customs and Revenue Agency and to amend and repeal other Acts as a consequence	98/12/08	99/02/10	National Finance			
C-45	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1999	98/06/10	98/06/16	—	—	—	98/06/17 98/06/18 28/98
C-46	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1999	98/06/10	98/06/16	—	—	—	98/06/17 98/06/18 29/98
C-47	An Act to amend the Parliament of Canada Act, the Members of Parliament Retiring Allowances Act and the Salaries Act	98/06/11	98/06/16	Banking, Trade and Commerce	98/06/17	none	98/06/18 98/06/18 23/98
C-49	An Act providing for the ratification and the bringing into effect of the Framework Agreement on First Nation Land Management	99/03/09					
C-51	An Act to amend the Criminal Code, the Controlled Drugs and Substances Act and the Corrections and Conditional Release Act	98/11/18	98/12/03	Legal and Constitutional Affairs	99/03/04	none	99/03/09 99/03/11 05/99
C-52	An Act to implement the Comprehensive Nuclear Test-Ban Treaty	98/10/20	98/10/28	Foreign Affairs	98/11/18	one	98/11/24 98/12/03 32/98
C-53	An Act to increase the availability of financing for the establishment, expansion, modernization and improvement of small businesses	98/11/25	98/12/02	Banking, Trade and Commerce	98/12/08	none	98/12/09 98/12/10 36/98

C-57	An Act to amend the Nunavut Act with respect to the Nunavut Court of Justice and to amend other Acts in consequence	98/12/07	98/12/10	Legal and Constitutional Affairs	99/02/18	none	99/03/02	99/03/11	03/99
C-58	An Act to amend the Railway Safety Act and to make a consequential amendment to another Act	99/02/02	99/02/11	Transport and Communications					
C-59	An Act to amend the Insurance Companies Act	98/12/10	99/02/04	Banking, Trade and Commerce	99/02/16	none	99/02/18	99/03/11	01/99
C-60	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1999	98/12/02	98/12/08	—	—	—	98/12/09	98/12/10	40/98
C-65	An Act to amend the Federal-Provincial Fiscal Arrangements Act	99/03/11							

## COMMONS PUBLIC BILLS

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
C-208	An Act to amend the Access to Information Act	98/11/17	99/02/11	Social Affairs, Science & Technology	99/03/11	none			
C-220	An Act to amend the Criminal Code and the Copyright Act (profit from authorship respecting a crime) (Sen. Lewis)	97/10/02	97/10/22	Legal and Constitutional Affairs	98/06/10 adopted	recommend Bill not proceed			
C-410	An Act to change the name of certain electoral districts	98/05/28	98/06/04	Legal and Constitutional Affairs	98/06/08	two	98/06/09	98/06/18	27/98
C-411	An Act to amend the Canada Elections Act	98/05/28	98/06/04	Legal and Constitutional Affairs	98/06/08	none	98/06/09	98/06/11	18/98
C-445	An Act to change the name of the electoral district of Stormont-Dundas	98/12/07	98/12/09	Legal and Constitutional Affairs	99/02/04	none	99/02/11	99/03/11	07/99
C-464	An Act to change the name of the electoral district of Sackville—Eastern Shore	98/12/07	98/12/09	Legal and Constitutional Affairs	99/02/04	none	99/02/11	99/03/11	08/99
C-465	An Act to change the name of the electoral district of Argenteuil—Papineau	98/12/07	98/12/09	Legal and Constitutional Affairs	99/02/04	none	99/02/09	99/03/11	06/99

## SENATE PUBLIC BILLS

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
S-6	An Act to establish a National Historic Park to commemorate the "Persons Case" (Sen. Kenny)	97/11/05	97/11/25	Energy, the Environment and Natural Resources					
S-7	An Act to amend the Criminal Code to prohibit coercion in medical procedures that offend a person's religion or belief that human life is inviolable (Sen. Haidasz, P.C.)	97/11/19	97/12/02	Legal and Constitutional Affairs					
S-8	An Act to amend the Tobacco Act (content regulation) (Sen. Haidasz, P.C.)	97/11/26	97/12/17	Social Affairs, Science & Technology	98/04/30	two	Dropped from Order Paper pursuant to Rule 27(3) 98/10/01		
S-10	An Act to amend the Excise Tax Act (Sen. Di Nino)	97/12/03	98/03/19	Social Affairs, Science & Technology	98/06/03	none	referred back to Committee 98/09/24		
S-11	An Act to amend the Canadian Human Rights Act in order to add social condition as a prohibited ground of discrimination (Sen. Cohen)	97/12/10	98/03/17	Legal and Constitutional Affairs	98/12/09	one			
S-12	An Act to amend the Criminal Code (abuse of process) (Sen. Cools)	98/02/10	98/05/06	Legal and Constitutional Affairs	98/06/04	one	98/06/09		
S-13	An Act to incorporate and to establish an industry levy to provide for the Canadian Anti-Smoking Youth Foundation (Sen. Kenny)	98/02/26	98/04/02	Social Affairs, Science & Technology	98/05/14	seven + two at 3rd	98/06/10	Bill withdrawn pursuant to Commons Speaker's Ruling 98/12/02	
S-14	An Act providing for self-government by the first nations of Canada (Sen. Tkachuk)	98/03/25	98/03/31	Aboriginal Peoples					
S-15	An Act respecting the declaration of royal assent by the Governor General in the Queen's name to bills passed by the Houses of Parliament (Sen. Lynch-Staunton)	98/04/02	98/06/09	Legal and Constitutional Affairs	98/06/18 report withdrawn 98/12/08	four		Bill withdrawn 98/12/08	
S-17	An Act to amend the Criminal Code respecting criminal harassment and other related matters (Sen. Oliver)	98/05/12	98/06/02	Legal and Constitutional Affairs					
S-19	An Act to give further recognition to the war-time service of Canadian merchant navy veterans and to provide for their fair and equitable treatment (Sen. Forrestal)	98/06/18							
S-24	An Act to provide for judicial preauthorization of requests to be made to a foreign or international authority or organization for a search or seizure outside Canada (Sen. Beaudoin)	99/03/03							



S-26	An Act respecting the declaration of royal assent by the Governor General in the Queen's name to bills passed by the Houses of Parliament (Sen. Lynch-Staunton)	99/03/10
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# PRIVATE BILLS

S-18	An Act respecting the Alliance of Manufacturers & Exporters Canada (Sen. Kelleher, P.C.)	98/06/17	Dropped from Order Paper pursuant to Rule 27(3) 98/11/17		
S-20	An Act to amend the Act of incorporation of the Roman Catholic Episcopal Corporation of Mackenzie (Sen. Taylor)	98/09/23	98/10/29	Social Affairs, Science & Technology	98/12/09
S-25	An Act respecting the Certified General Accountants Association of Canada (Sen. Kirby)	99/03/04		three	98/12/03

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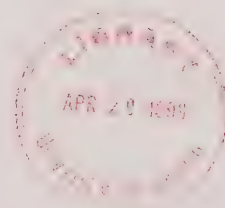
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OFFICIAL REPORT  
(HANSARD)

Tuesday, March 16, 1999

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THE HONOURABLE GILDAS L. MOLGAT  
SPEAKER





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(Daily index of proceedings appears at back of this issue.)

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## THE SENATE

Tuesday, March 16, 1999

The Senate met at 2:00 p.m., the Speaker in the Chair.

Prayers.

### SENATORS' STATEMENTS

#### EMPLOYMENT EQUITY IN THE PUBLIC SERVICE

**Hon. Donald H. Oliver:** Honourable senators, in the next couple of weeks I will be giving two major speeches outside the Senate: one to a conference to mark the International Day for the Elimination of Racial Discrimination, organized by the Visible Minorities Consultative Group, a subcommittee of the Employment Equity Committee of Statistics Canada; the second will be on March 25 at an annual meeting luncheon of the Committee for Equal Access and Participation with the Department of Canadian Heritage.

In preparation for those two meetings, I did some research on employment equity and its application or lack thereof to the Parliament of Canada, especially here in the Senate. It was the previous government, under the leadership of Prime Minister Brian Mulroney, which identified in the 1986 Employment Equity Act four target groups. These groups, being women, aboriginal people, the disabled and visible minorities, were identified as needing statutory help if they were to advance their career prospects in the Public Service of Canada.

In 1995, Parliament enacted Bill C-64, which extended employment equity to private sector corporations which fall under federal jurisdiction. However, it had one major flaw: It did not include Parliament within its jurisdiction. While Progressive Conservative senators fought for an amendment to this bill to include Parliament, the best we could do was to obtain a letter from the minister of the day, Lloyd Axworthy, promising future amendments.

We are now in March of 1999. I have recently reviewed the statistics for the public service, House of Commons and the Senate, and I can tell honourable senators that, with the exception of women, the target groups are woefully under-represented in the employee structure of the public service, as well as both in the House of Commons and here in the Senate.

While the visible minorities make up 5 per cent of the total public service population, when we look at executive level, that figure falls by almost 45 per cent. The latest annual equity report reveals that only 2.8 per cent of executive level jobs are held by visible minorities. In concrete terms, this means 91 out of 3,200 people. If we back up a bit more and divide the total of 9,260 visible minorities in the public service by those 91 people, we find that only 1 per cent of visible minorities hold executive level jobs. This is hardly what we call a figure calculated to

inspire confidence in anyone's chance of reaching the top or in management's commitment to the employment equity policy.

The situation is similar with regard to the House of Commons. Less than 2 per cent of the employees come from the visible minority groups, just over 1 per cent are disabled and under 1 per cent are from the aboriginal peoples of Canada. In the Senate, only 1.2 per cent of employees are visible minorities, 0.6 per cent are disabled, 1.4 per cent come from Canada's aboriginal peoples. We should be setting a standard for all business and government bodies in Canada. We should not be lagging behind, especially to the extent that we are now.

Our governing institutions should reflect the mosaic of Canada. In the early part of the next decade, over 50 per cent of the population of Toronto, Canada's largest city, will be from visible minority groups. This group and the other target groups must see themselves represented in Canada's governing bodies if they are truly to feel themselves to be part of this country. I believe we should take all necessary measures here in the Senate to ensure that our workforce is representative of the four target groups identified.

**The Hon. the Speaker:** I regret to interrupt; however, the honourable senator's three-minute period has expired.

**Senator Graham:** Carry on.

**The Hon. the Speaker:** Is leave granted, honourable senators?

**Hon. Senators:** Agreed.

**Senator Oliver:** I believe that we should take all necessary measures here in the Senate to ensure that our workforce is representative of the four target groups identified by the previous government. I urge this government to bring in legislation that will put Parliament, the House of Commons and the Senate under the jurisdiction of the Employment Equity Act.

[Translation]

#### PRIVILEGES, STANDING RULES AND ORDERS

##### CLARIFICATION BY CHAIRMAN OF COMMITTEE ON RESPONSE PREVIOUSLY GIVEN

**Hon. Senator Shirley Maheu:** Honourable senators, last Thursday, in presenting the ninth report of the Standing Committee on Privileges, Standing Rules and Orders, I used language which might have seemed to be contrary to rule 51 of the *Rules of the Senate*.

If my words have offended any of my honourable colleagues, I am sorry. The purpose of my words was to respond to questions raised during the March 9, 1999 session, not to contravene one of our rules.



[English]

## ROUTINE PROCEEDINGS

## ADJOURNMENT

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(h), I move:

That when the Senate adjourns today, it do stand adjourned until tomorrow, Wednesday, March 17, 1999, at 1:30 p.m.

• (1410)

**The Hon. the Speaker:** Honourable senators, is leave granted?

**Hon. Senators:** Agreed.

Motion agreed to.

**WAR VETERANS ALLOWANCE ACT  
PENSION ACT  
MERCHANT NAVY VETERAN AND CIVILIAN  
WAR-RELATED BENEFITS ACT  
DEPARTMENT OF VETERANS AFFAIRS ACT  
VETERANS REVIEW AND APPEAL BOARD ACT  
HALIFAX RELIEF COMMISSION PENSION  
CONTINUATION ACT**

**BILL TO AMEND—FIRST READING**

**The Hon. the Speaker** informed the Senate that a message had been received from the House of Commons with Bill C-61, to amend the War Veterans Allowance Act, the Pension Act, the Merchant Navy Veteran and Civilian War-Related Benefits Act, the Department of Veterans Affairs Act, the Veterans Review and Appeal Board Act, and the Halifax Relief Commission Pension Continuation Act and to amend certain other Acts in consequence thereof.

Bill read first time.

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the second time?

On motion of Senator Carstairs, bill placed on Orders of the Day for second reading on Thursday next, March 18, 1999.

**FOREIGN PUBLISHERS  
ADVERTISING SERVICES BILL**

**FIRST READING**

**The Hon. the Speaker** informed the Senate that a message had been received from the House of Commons with

Bill C-55, respecting advertising services supplied by foreign periodical publishers.

Bill read first time.

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the second time?

On motion of Senator Carstairs, bill placed on Orders of the Day for second reading on Thursday next, March 18, 1999.

**THE ESTIMATES, 1998-99**

**REPORT OF NATIONAL FINANCE COMMITTEE ON  
SUPPLEMENTARY ESTIMATES (C) PRESENTED AND PRINTED**

Leave having been given to revert to Presentation of Reports from Standing and Special Committees:

**Hon. Terry Stratton:** Honourable senators, the Standing Senate Committee on National Finance has the honour to present its tenth report, which deals with Supplementary Estimates (C).

I request that the report be printed as an appendix to today's proceedings.

**The Hon. the Speaker:** Is it agreed, honourable senators?

**Hon. Senators:** Agreed.

*(For text of report, see today's Journals of the Senate, Appendix A, p. 1358.)*

**The Hon. the Speaker:** Honourable senators, when shall this report be taken into consideration?

On motion of Senator Stratton, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

**THE ESTIMATES 1999-2000**

**REPORT OF NATIONAL FINANCE COMMITTEE  
ON MAIN ESTIMATES PRESENTED AND PRINTED**

**Hon. Terry Stratton:** Honourable senators, I have the honour to present the eleventh report of the Standing Senate Committee on National Finance, which deals with the Main Estimates.

I request that the report be printed as an appendix to today's proceedings.

**The Hon. the Speaker:** Is it agreed, honourable senators?

**Hon. Senators:** Agreed.

*(For text of report, see today's Journals of the Senate, Appendix B, p. 1365.)*

**The Hon. the Speaker:** Honourable senators, when shall this report be taken into consideration?

On motion of Senator Stratton, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

### CANADA ELECTIONS ACT

#### BILL TO AMEND—FIRST READING

**Hon. John Lynch-Staunton** presented Bill S-27, to amend the Canada Elections Act (hours of polling at by-elections).

Bill read first time.

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the second time?

On motion of Senator Lynch-Staunton, bill placed on the Orders of the Day for second reading on Wednesday next, March 24, 1999.

### REVIEW OF NUCLEAR WEAPONS POLICIES

#### NOTICE OF MOTION

**Hon. Lois Wilson:** Honourable senators, on behalf of Senator Roche, I give notice that on Wednesday, March 17, 1999, he will move:

That the Senate recommend that the Government of Canada urge NATO to begin a review of its nuclear weapons policies at the Summit Meeting of NATO April 23 to 25, 1999.

### SUDAN

#### NOTICE OF INQUIRY

**Hon. Lois Wilson:** Honourable senators, I give notice that on Tuesday next, March 23, 1999, I will call the attention of the Senate to the situation in Sudan.

### VISITOR IN THE GALLERY

**The Hon. the Speaker:** Honourable senators, I should like to introduce to you a distinguished visitor in our gallery, namely, the Ambassador Giancarlo Aragona, Secretary General of the OSCE.

**Hon. Senators:** Hear, hear!

**The Hon. the Speaker:** Welcome to the Senate, Mr. Secretary General.

## QUESTION PERIOD

### NATIONAL DEFENCE

#### COMMITMENTS MADE BY NATO ON KOSOVO— GOVERNMENT POSITION

**Hon. John Lynch-Staunton (Leader of the Opposition):** Honourable senators, recent reports indicate that the talks aimed at reaching an understanding on Kosovo are not going at all well. What has been achieved so far is more in the nature of a shaky truce than a settlement.

NATO, which has already taken sides on this issue, continues to threaten bombing attacks if there is no settlement, while President Clinton has pretty well committed 4,000 American troops while asking NATO to commit 20,000 more, should Serbia and the Kosovo-Albanians not reach an agreement.

• (1420)

My question to the Leader of the Government in the Senate is as follows: What is the Canadian government's position on the two commitments that NATO is ready to make both directly as far as bombing attacks and also in regard to sending ground troops into Kosovo?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, that question is being monitored on a daily basis by the Minister of Foreign Affairs as well as the Minister of National Defence and their officials. As indicated earlier, the Government of Canada is prepared to commit 800 ground force troops, if necessary. We also have six CF-18 fighters presently stationed in Italy, ready to be called into action if deemed necessary.

**Senator Lynch-Staunton:** Honourable senators, do we know exactly to what we would be exposing these 800 troops? The situation over there is so volatile. It is in the nature of a civil war, and we would be interfering in the domestic activities of a sovereign country, no matter how reprehensible the activities there.

My question is: Is it really NATO's role, now that it has no Soviet Union to confront, to involve itself in these serious disputes? How well thought out was our policy before we made the commitment of 800 troops, knowing, in particular, the state of our Armed Forces in both personnel and equipment?

**Senator Graham:** Honourable senators, I agree with the Leader of the Opposition and would acknowledge that we do have responsibilities. More particularly, we have made commitments with respect to what is happening in that very unfortunate part of the world. We intend to live up to those commitments. As I indicated, the situation is being monitored on a daily basis by the Minister of Foreign Affairs, the Minister of National Defence and the Prime Minister.

**SITUATION IN KOSOVO—REQUEST FOR APPEARANCE OF  
WITNESSES BEFORE COMMITTEE OF WHOLE ON  
INVOLVEMENT—GOVERNMENT POSITION**

**Hon. John Lynch-Staunton (Leader of the Opposition):** Honourable senators, this is an important question. NATO is developing in a direction that was not foreseen at the time of its creation in 1949.

Would the Leader of the Government agree that the Minister of National Defence and the Chief of Defence Staff should be invited to a Senate Committee of the Whole to discuss this issue in order to get a better understanding of exactly in what direction we are being taken?

I fear that we are making these commitments because we have always made commitments. We have always contributed to international peacekeeping. However, this is not an issue of peacemaking, nor even of peacekeeping; it is to try to keep two sides apart while a settlement is being implemented.

I should like to have the support of the government side for the appearance of the Minister of National Defence, the Chief of Defence Staff and the Minister of Foreign Affairs, at such a Committee of the Whole, as this is a non-partisan issue. We must discuss this issue so we can have a better appreciation of what the entire Kosovo situation is about in terms of possible Canadian involvement.

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, the Standing Senate Committee on Foreign Affairs does excellent work in studying matters not only of this kind but related international matters. I believe that committee would be the appropriate forum for the Minister of National Defence and, if the committee decided, the Chief of the Defence Staff to give testimony and answer questions.

However, if the Leader of the Opposition wishes to pursue the question of a Committee of the Whole, then we should have further discussions on that particular point.

[Translation]

**SITUATION IN KOSOVO—REQUEST FOR APPEARANCE OF  
MINISTER OF NATIONAL DEFENCE BEFORE  
COMMITTEE OF THE WHOLE—GOVERNMENT POSITION**

**Hon. Roch Bolduc:** Honourable senators, I should like to remind the Leader of the Government in the Senate that, in January 1991, before the outbreak of the Gulf War, the United Nations requested Canada's participation. The government's response was in the affirmative, and it enforced United Nations policy, but first of all, the Minister of National Defence appeared before the Foreign Affairs Committee to discuss the matter. Could the Leader of the Government in the Senate assure us of the presence of the Minister of Defence to discuss this matter?

[English]

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, perhaps we should have further discussions

on this matter. The Leader of the Opposition suggested that the Minister of National Defence and the Chief of the Defence Staff appear in Committee of the Whole. Senator Bolduc has suggested the Minister of Foreign Affairs should appear. I suggest that we have further discussions with the Chair of the Standing Senate Committee on Foreign Affairs to determine whether or not that would be the appropriate body for the hearing of the aforementioned ministers and officials. This matter will be taken under serious consideration.

**Hon. J. Michael Forrestall:** Honourable senators, in the event of a successful conclusion to those negotiations or discussions, could we have an undertaking to bring the subject-matter before the Senate as a whole?

**Senator Graham:** Honourable senators, as I suggested to Senator Forrestall on another occasion, there are various mechanisms available. Indeed, a notice of inquiry could be introduced, as the senator has done in the past.

**TRANSPORT**

**STRIKE BY WEST COAST GRAIN HANDLERS—  
EFFECT ON PRAIRIE FARMERS—GOVERNMENT POSITION**

**Hon. Leonard J. Gustafson:** Honourable senators, last week I raised the issue of the problems farmers are facing. This week, we have a strike by the grain handlers in Vancouver that is compounding those problems. For many weeks now, there has been no room in many of the elevators to accept grain deliveries. On top of this, the farmers are faced with a strike on the West Coast.

My question to the Leader of the Government in the Senate is twofold: What is the government doing or what will the government do? Will he please convey the seriousness of this problem to the cabinet and the government?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I had conversations on this particular point just this morning with my cabinet colleagues. The matter is under very serious consideration.

There is hope that the matter will be resolved soon. We recognize that it is not only a problem for the farmers, but is becoming a national problem, and therefore, is under active consideration by the government at the present time.

**Senator Gustafson:** Honourable senators, the strike on the West Coast has come at a difficult time. The people in charge there seem to pick the most difficult times for farmers. In the spring of the year, seeding is coming and the delivery of grain is most important to the farmers. I cannot emphasize enough the importance of taking this issue to the government.

**Senator Graham:** Thank you.



## NATIONAL FINANCE

### TAX BURDEN CAUSING EMIGRATION—RECENT COMMENTS BY PROMINENT CANADIANS—GOVERNMENT POSITION

**Hon. Donald H. Oliver:** Honourable senators, my question is directed to the Leader of the Government in the Senate. It deals with the tax issue that is beginning to hit even the Prime Minister's family. Paul Desmarais, senior, who is related by marriage to the Prime Minister told the *National Post* on March 11 that the U.S. can provide a great future to young people. They will have more ability to do what they wish with their money because they will keep more of it. It was his contention that anyone is better off in the United States. Mr. Desmarais then went on to say that while he was not moving from Canada, he had thought about it a thousand times and many of his friends had made the move.

Honourable senators, this raises serious issues of public policy. Has the government at any time looked at the matter of how many Canadians are leaving for lower tax regimes and how much it is costing in lost tax revenues?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I also read with interest the comments of Mr. Desmarais, who is not given to regular interviews with the press. Mr. Desmarais is held in such high regard in part because of his commitment to sound public policy designed to benefit the many instead of the privileged few.

Mr. Desmarais has done his own musing. At the same time, his musing has led him to the conclusion that he should continue as a full-time resident of Canada where he has, along with many others, reaped benefits as a Canadian citizen doing business in this country.

• (1430)

**Senator Oliver:** Honourable senators, in today's *National Post*, Vancouver billionaire Jim Pattison has also waded into the debate on high taxes. He is arguing that our high taxes are driving Canada's best and brightest to the United States. He said that while he personally is staying put in Canada, he sees taxation as a big and growing problem. Our tax rates mean we are just not competitive, and good people are leaving the country. These are the people who make the investment decisions and create jobs, and we are chasing them out of town.

Will the honourable leader tell us, Does the government share Mr. Pattison's belief that we are chasing away the people who make the investment decisions?

**Senator Graham:** Honourable senators, not at all. As a matter of fact, Mr. Pattison is another example of a Canadian whose business has thrived in Canada. There are many others who have reaped the benefits of Canadian enterprise and who have chosen to pay Canadian taxes despite the difference in relative tax rates.

I hope that Senator Oliver is not suggesting that we immediately cut taxes to levels found in the United States or in some island tax haven. If he is so doing, I would ask him what

programs he would be prepared to cut. Canadian citizenship involves many benefits; benefits recognized by Mr. Desmarais, Mr. Pattison and indeed all of their employees. We have benefits such as the finest health care system in the world; the safest environment in the world; and, in terms of crime, the safest place to live. Being Canadian is much more than having millions of dollars in your pocket. Being a proud Canadian means living in a country judged by the United Nations to be the greatest in the world.

## HUMAN RIGHTS

### RECENT JAILING OF DISSIDENTS BY CUBA—ACTIONS BY PRIME MINISTER TO REVIEW AGREEMENTS AND ARRANGEMENTS—GOVERNMENT POSITION

**Hon. Consiglio Di Nino:** Honourable senators, my question is directed to the Leader of the Government in the Senate. It deals with the very surprising and very pleasant bit of news that we got this morning. The Prime Minister has apparently decided that Cuba may not be quite the nice place he thought it was some months back. This is the same man who, not too many months ago, stood on the podium with Castro while Castro's mouthpiece was comparing our American friends, our best trading partners, to the Nazi regime in the commission of the Holocaust. He stood there not necessarily in agreement but implying agreement by his silence.

I understand that the Government of Canada is reviewing its relationship with Cuba because of the detention by Cuba of four individuals who have been preaching democracy and who have been jailed by that regime. Can the minister enlighten us as to those changes? Which arrangements are being reviewed by the Government of Canada vis-à-vis Cuba?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, our basic policy of engagement with Cuba will not change. We believe, as does the Pope, most of Latin America, the Caribbean and Europe, that talking with the Cubans and working to get them to open up to the world is better than any other alternative. We intend to continue to do that.

To end our engagement with Cuba would be to abandon those to whom Senator Di Nino has referred. The four dissidents would be abandoned at a time when they need our support, perhaps more than ever before.

**Senator Di Nino:** Honourable senators, am I to understand that the news reports about reviewing some of the relationships is not correct? If it is not correct, which relationships are we reviewing?

**Senator Graham:** Honourable senators, the Prime Minister and the Minister of Foreign Affairs have already made it very clear that we are obviously disappointed with recent events in Cuba. We have told the Cubans so in a frank way. That is what friends and partners do, just as we complimented the Cuban government last year when it decided to allow much more freedom for the Church.

Our policy of engagement is aimed at building the capacity of individuals and institutions to effect change in Cuba. That policy has seen some success, but major change will not come overnight. There will be bumps along the way, but it is important to continue to have dialogue with the Cubans.

**Senator Di Nino:** Honourable senators, I am delighted to hear from the minister that his government will continue the dialogue and, I hope, the criticism in the hope of achieving a certain sense of democracy and fundamental human rights in a country that has been judged by international organizations to be one of the worst offenders.

**LACK OF CRITICISM OF CHINA BY PRIME MINISTER—  
UNDERTAKING TO CONVEY CRITICISM ON TIBET OCCUPATION  
TO PREMIER ON UPCOMING VISIT—GOVERNMENT POSITION**

**Hon. Consiglio Di Nino:** Honourable senators, probably the worst offender in the world today is China. The same situation applies except that, to my knowledge, no representative of the Government of Canada has shown the same courage in criticizing China on their human rights abuses and their denial of fundamental human rights, particularly — and you all know my interest here — involving Tibet.

Would the Leader of the Government in the Senate ask the Prime Minister and his colleagues to undertake to do exactly the same thing when the Premier of China visits Canada soon? Will they point out to the Premier these areas of criticism on behalf of Canadians and do it in a public way so that we know that it has been done?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I believe it is fair to say that Canada's relations with not only our partners but with all countries are under constant review. In the case of Cuba, a review of our activities means exactly that. It is a review. It should not be pre-judged. In light of recent events, it may be that some of our activities in Cuba can or should be adjusted to more effectively achieve our objectives.

With respect to Senator Di Nino's assertions on China, he refers to a lack of courage on the part of the Prime Minister. With the greatest of respect, Senator Di Nino, I ask you to review the reports of Prime Minister Chrétien's trip to China. Review the statements that he made publicly with respect to human rights abuses in that country. I am sure you will come to a fairer understanding of what our Prime Minister has said in that country.

**LACK OF EVIDENCE OF CHANGE ON PART  
OF CUBA'S PRESIDENT—GOVERNMENT POSITION**

**Hon. Gerry St. Germain:** Honourable senators, in regard to Cuba, the human rights denials have never ceased. In contrast, why do we take such an adamant position against our largest trading partner and our greatest ally, the United States? Can the minister explain to us what progress the government is making with Cuba by siding up to them?

In the former administration, when the prime minister took a position against apartheid, it was clear and unequivocal. In this particular instance, the government has played "footsie" with Fidel Castro, who has continued to act as he has always acted. Yet the government is trying to make us and the world believe that something has changed. Nothing has really changed except for the content of the front pages of some of the newspapers today.

• (1440)

Can the minister comment on that, please?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, Canada will host several major hemispheric events in the next two years. In that context we have been exploring ways of integrating Cuba into regional activities and institutions. I am cognizant of the concerns expressed by the Honourable Senator St. Germain and others. It may be necessary to slow down or pause in those efforts until Cuba's intentions become clear.

I can tell honourable senators that several Canadian cabinet ministers had tentative plans to visit Cuba in the coming months. I believe that they may be asked to postpone those plans until the Minister of Foreign Affairs has had a chance to conduct his review and clarify the situation.

**Senator Di Nino:** That is good news.

**POSSIBILITY OF SEEKING RESOLUTION OF  
HUMAN RIGHTS COMMISSION ON CUBA—GOVERNMENT POSITION**

**Hon. A. Raynell Andreychuk:** Honourable senators, constructive dialogue is obviously the correct starting point, but if that does not bear fruit, we must move to another process.

Is the government considering taking steps within the context of the Human Rights Commission to have a resolution on Cuba? If such a resolution on Cuba is before the Human Rights Commission this year, will Canada join as a signatory?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, it would be presumptuous of me, as an individual cabinet minister, to make a definitive statement on that. I would certainly lean toward supporting such an action if progress is not made at the other levels to which I alluded earlier. To take the steps that I have mentioned — that is, for Canada to review its relations with Cuba in several areas, and to have several cabinet ministers postpone their visits to that country — would send a strong signal.

**INTERNATIONAL TRADE**

**SUPPORT FOR HIGH COMMISSIONER'S BID TO HEAD WORLD  
TRADE ORGANIZATION—LACK OF EVIDENCE OF INTENT—  
GOVERNMENT POSITION**

**Hon. A. Raynell Andreychuk:** Honourable senators, can the Leader of the Government in the Senate advise honourable senators whether the government is fully supporting High



Commissioner MacLaren in his bid for the leadership of the World Trade Organization? If such support is forthcoming, what steps are being taken to ensure his successful candidacy?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I assure the Honourable Senator Andreychuk that Canada is in full support of High Commissioner MacLaren's candidacy, and that one should never underestimate the ability of Canada to achieve its objective in matters of this kind.

I watched with fascination as Don Johnston was appointed to his present high position with the OECD. Indeed, I was privy to some of the discussions that took place at that particular time, and watched our Prime Minister as he worked to that end. I do not know what the classification for a master chess player should be, but I watched with absolute fascination as the Prime Minister contacted the various players with regard to this very important position. I am sure he is presently doing the same with respect to Mr. MacLaren.

Once again, in answer to the honourable senator's question, Canada is, of course, entirely supportive of the candidacy of High Commissioner MacLaren in this regard.

**Senator Andreychuk:** Honourable senators, I am pleased to hear that the government is supporting Mr. MacLaren because I think he has the skills that the World Trade Organization needs.

Since the minister has raised our candidacy at OECD, I might remind him of the efforts made in relation to our bid for a Security Council seat. I see no position more important to Canada at this time than the one at the World Trade Organization, and I see no one as qualified as Mr. MacLaren to lead that organization. If we are serious about trade and our fair share of the global market, surely we would want a man of Mr. MacLaren's calibre at the World Trade Organization.

What concerns me is not what Mr. MacLaren is doing, because I think he is working to the best of his ability. However, I do not see the same fervour on the part of the government. I would like to know whether the same amount of money is being spent towards the candidacy of the World Trade Organization position as was spent for the UN position. How many emissaries have been sent out on behalf of Mr. MacLaren's candidacy, over and above the usual démarches of ambassadors in the various capitals?

In terms of the activity on the Hill, it seems to me that I do not see as many ministers being dispatched in this candidacy. I do not see the dollars being spent; I do not see the hospitality being used in the way that it was for the Security Council seat. Yet I would think that having the World Trade Organization move in the right direction would be the pivotal trade strategy for Canada. I would like to be assured that the government is taking this candidacy seriously.

**Senator Graham:** Honourable senators, I thank the honourable senator for her endorsement, particularly in view of

the international reputation that she has garnered through her many accomplishments. I will be happy to bring to the attention of my colleagues her very strong representations.

I would hesitate very much to get into the area of what is being spent or what hospitality is being given, because the very notion of hospitality has bad connotations in view of the recent Olympics controversy. I certainly would not want to get on that sort of shaky ground at the present time.

As Senator Andreychuk has suggested, Canada and Mr. MacLaren as a representative and as a candidate should stand on their own merits.

## THE ESTIMATES, 1998-99

### REPORT OF NATIONAL FINANCE COMMITTEE ON SUPPLEMENTARY ESTIMATES (C)—QUESTION FOR CHAIRMAN OF COMMITTEE

**Hon. Jack Austin:** Honourable senators, I should like to address a question to Honourable Senator Stratton in his capacity as Chairman of the Standing Senate Committee on National Finance.

In the tenth report which he tabled today, the concluding paragraph advises that the committee is concerned about the potential massive loss of public service personnel in coming years.

Could the chair of the committee advise honourable senators what is the nature of this potential massive loss? If that is a correct statement of the committee's fears, is it in the area of comparable financial reward that the solution lies? Or is the public service unattractive to Canadians, in particular young Canadians, for other reasons?

**The Hon. the Speaker:** I regret to have to interrupt the Honourable Senator Austin but the report was tabled today for consideration tomorrow. Thus, I believe the honourable senator's question is anticipating a debate that will take place tomorrow.

## NATIONAL DEFENCE

### COMPENSATION PAID TO ESTATES OF PILOT VICTIMS OF CRASHES—GOVERNMENT POSITION

**Hon. J. Michael Forrestall:** Honourable senators, before I get to my question, I wish to express my appreciation to the Leader of the Government in the Senate and to Minister Eggleton for the rapid resolution of what was, I am sure, an embarrassment with respect to Captain Musselman.

My question is not whether or not the government considers that case a precedent, but, rather: If other pilots lose their lives in the pursuit of their duties, will the same courtesy be extended to their families?



**Hon. B. Alasdair Graham (Leader of the Government):** I would have to presume so, honourable senators. I thank the Honourable Senator Forrestall for bringing that matter to our attention, although the Minister of National Defence was already cognizant of the problem.

• (1450)

However, I was able to use the honourable senator's questions and the short debate that took place in this chamber as another reason for bringing the matter before the Minister of National Defence. I believe that the minister acted correctly and promptly in this matter.

**Senator Forrestall:** Honourable senators, I share that sentiment.

**The Hon. the Speaker:** Honourable Senator Forrestall, the time period for Question Period has expired. However, I will allow you to conclude your question, and then we will proceed to Delayed Answers.

**Senator Forrestall:** There is no question, honourable senators, in most minds that contracts of that nature must have a terminal clause in them. Notwithstanding that, could the minister pursue with his colleagues in cabinet the principle that I enunciated a moment or two ago, that that same courtesy be extended to other, active pilots? Indeed, where the government sees fit to offer an incentive in order to retain highly trained and skilled individuals through an inducement of sorts, such an undertaking could be given or be implicit in that contract. I think it is important to other fliers. Indeed, I can confirm the well-being and feeling that flowed from that decision, in particular because of its promptness.

The minister is correct. The government is owed a debt but, more important, there are hundreds of other men and women in that position, serving actively in the forces, and they and their families might have the comfort of that benefit.

**Senator Graham:** Honourable senators, God forbid that we would have a repeat of that particular incident. However, Senator Forrestall is absolutely correct: We should be able to provide some comfort and assurance to the men and women who are involved in the Armed Forces, and I will be happy to bring forward his representations.

## DELAYED ANSWER TO ORAL QUESTION

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I have a response to a question raised in the Senate on March 2, 1999, by the Honourable Senator Di Nino regarding the increase in trade with countries visiting by Team Canada, including China.

## INTERNATIONAL TRADE

### INCREASE IN TRADE WITH COUNTRIES VISITED BY TEAM CANADA INCLUDING CHINA—REQUEST FOR PARTICULARS

*(Response to question raised by Hon. Consiglio Di Nino on March 2, 1999)*

The following table indicates recent trends in trade between Canada and countries visited by Team Canada missions. The overall trend shows two-way trade increasing in all markets, although exports have decreased in a number of markets reflecting other economic developments.

Team Canada missions are aimed at building both short- and longer-term trade relations and many of the business relationships developed during Team Canada missions will generate benefits in future years.

## CANADA'S MERCHANDISE TRADE

Customs basis

Thousands of C\$

% Growth

	1994	1995	1996	1997	1998	1998/94
<b>Exports</b>						
Argentina	199,897	237,449	204,424	409,076	319,390	59.8%
Brazil	981,592	1,310,623	1,428,581	1,674,970	1,369,937	39.6%
Chile	314,436	387,487	415,466	392,436	323,353	2.8%
China	2,301,819	3,463,338	3,011,643	2,368,259	2,140,746	-7.0%
India	286,175	440,296	352,679	475,145	354,924	24.0%
Indonesia	476,449	662,830	955,868	796,400	511,517	7.4%
Korea, South	2,231,000	2,730,651	2,816,864	2,994,766	1,773,058	-20.5%
Malaysia	293,289	572,674	542,156	698,424	427,776	45.9%
Mexico	1,083,478	1,148,124	1,256,889	1,328,064	1,363,492	25.8%
Pakistan	70,790	125,432	86,594	129,641	85,005	20.1%
Philippines	195,984	328,096	292,274	426,395	187,852	-4.1%
Thailand	409,691	579,152	573,585	466,064	286,877	-30.0%
<b>Imports</b>						
Argentina	132,740	169,896	186,326	231,449	259,214	95.3%
Brazil	960,545	1,038,125	1,133,550	1,314,148	1,375,403	43.2%
Chile	238,179	278,906	342,190	324,875	359,816	51.1%
China	3,856,113	4,639,200	4,926,099	6,309,151	7,650,000	98.4%
India	458,783	541,378	603,592	740,671	898,599	95.9%
Indonesia	522,201	597,199	625,656	808,867	921,359	76.4%
Korea, South	2,504,161	3,204,304	2,726,907	2,824,255	3,314,734	32.4%
Malaysia	1,213,828	1,549,716	1,577,815	1,984,852	1,997,028	64.5%
Mexico	4,525,375	5,351,736	6,033,264	6,991,115	7,645,045	68.9%
Pakistan	198,635	204,333	165,257	205,031	227,446	14.5%
Philippines	469,174	497,405	552,785	723,933	957,811	104.1%
Thailand	895,598	1,013,787	1,043,421	1,172,220	1,273,228	42.2%

TOTAL TRADE						
Argentina	332,637	407,345	390,750	640,525	578,604	73.9%
Brazil	1,942,137	2,348,748	2,562,131	2,989,118	2,745,340	41.4%
Chile	552,615	666,393	757,656	717,311	683,169	23.6%
China	6,157,932	8,102,538	7,937,742	8,677,410	9,790,746	59.0%
India	744,958	981,674	956,271	1,215,816	1,253,523	68.3%
Indonesia	998,650	1,260,029	1,581,524	1,605,267	1,432,876	43.5%
Korea, South	4,735,161	5,934,955	5,543,771	5,819,021	5,087,792	7.4%
Malaysia	1,507,117	2,122,390	2,119,971	2,683,276	2,424,804	60.9%
Mexico	5,608,853	6,499,860	7,290,153	8,319,179	9,008,537	60.6%
Pakistan	269,425	329,765	251,851	334,672	312,451	16.0%
Philippines	665,158	825,501	845,059	1,150,328	1,145,663	72.2%
Thailand	1,305,289	1,592,939	1,617,006	1,638,284	1,560,105	19.5%

Source: Statistics Canada



## ORDERS OF THE DAY

### CARRIAGE BY AIR ACT

#### BILL TO AMEND—THIRD READING

**Hon. Pierre De Bané** moved third reading of the Bill S-23, to amend the Carriage by Air Act to give effect to a Protocol to amend the Convention for the Unification of Certain Rules Relating to International Carriage by Air and to give effect to the Convention, Supplementary to the Warsaw Convention, for the Unification of Certain Rules Relating to International Carriage by Air Performed by a Person Other than the Contracting Carrier.

He said: Honourable senators, I am pleased to rise to speak on Bill S-23 on the occasion of its third reading.

[Translation]

Barely a week ago, the members of the Standing Senate Committee on Transport and Communications carefully examined the bill and unanimously decided to submit it for third reading. I thank them for their diligence.

As you will recall, Bill S-23 is intended to amend the Carriage by Air Act so Canada may ratify two international instruments involving air carrier responsibility and become a party to them. They are the Montreal Protocol No. 4 and the Guadalajara Convention. The purpose of these documents is to update the provisions of the Warsaw Convention, which sets out the responsibilities and legal rights of carriers, passengers and shippers in international carriage by air.

[English]

The Carriage by Air Act was first enacted in 1947 to give the federal government the authority to have Canada accede to the Warsaw Convention, which had been signed in 1929. The act was amended in 1963 to authorize the federal government to implement The Hague Protocol, which amended and updated the Warsaw Convention to take into account changes in liability requirements in the 25 years following its signature.

With this bill, we are seeking essentially what we were seeking in 1963 — additions to the Carriage by Air Act which will enhance air carrier liability coverage and requirements.

Montreal Protocol No. 4 amends the liability regime as it applies to cargo by providing stricter carrier liability and establishing maximum limits. It also simplifies the cargo documentation requirements and authorizes the electronic transmission of information. This transmission of cargo information using means other than the traditional multi-copy air waybill can provide significant cost savings to carriers and shippers.

[Translation]

It is very important that Canada become a signatory to this Protocol without delay. It came into effect on June 30, 1998,

following ratification by the minimum number of governments — 30. The United States formally ratified it at the end of 1998 and implemented it on March 4.

To our shippers and carriers it means that so long as Canada has not tabled its own ratification documents so the Protocol may take effect in Canada, they will be at a disadvantage compared to their American counterparts in competitive terms.

[English]

The Guadalajara Convention clarifies the relationship between passengers and shippers on the one hand and carriers on the other. The convention extends the rules of the Warsaw liability regime to the carrier actually performing the carriage when it is not the same as the carrier with which the passenger or shipper has contracted. This is a convention which is already widely in force. It distinguishes the contracting carrier from the carrier performing the carriage on its behalf and sets out the varying liability of each. The Warsaw requirements are made to apply to the contracting carrier for the entire journey and to the actual carrier during those parts of the journey that it carries out.

[Translation]

A claimant can take legal action against either carrier, but the total amount of damages is limited to the amounts set under the Warsaw Convention, unless the passenger and the contract carrier have agreed on a higher amount. In such a case, the agreement is not binding on the actual carrier that did not agree to the new amount.

This sharing of responsibility between the contract carrier and the actual carrier, when that responsibility differs, becomes increasingly important with the world commercial alliances reached by international carriers, such as Air Canada and Canadian Airlines International, for the transportation of their respective passengers.

Then there are those cases where a carrier shares its reservation code with another carrier. This practice, known as code sharing, allows the concerned carriers to sell transport services for any destination outside their respective networks, whether or not they use their own aircraft. It also applies to a carrier that contracts out to another carrier the operation of a specific service, or to a carrier that sells part of its aircraft capacity to other air carriers.

[English]

Examples of how this convention would be important to Canadian carriers were set out by the spokesperson for the Air Transport Association of Canada at committee stage.

Not only did the Air Transport Association of Canada tell committee members that both Montreal Protocol No. 4 and the Guadalajara Convention have the unanimous support of the aviation industry and that it supports Bill S-23 without reservation, it urged us to pass the bill as soon as possible.

Committee members were also told that federal officials have consulted widely and that other affected parties, in addition to the carriers, such as manufacturers, shippers, tour operators, consumers and the legal profession, support Canada's adherence to these two international instruments.

[Translation]

That, honourable senators, summarizes Bill S-23. First of all, there will still be six sections in the Carriage by Air Act and the wording will be clearer because of the inclusion of two definitions, for "party" and "agent," at the very beginning.

Second, in accordance with established practice, the wording will be gender neutral. In addition, the formula used to determine the Canadian dollar equivalents of francs or SDRs will be clarified.

[English]

Fourth, references to the new Schedules IV and V are added, where appropriate.

Fifth, a section dealing with when the amended act will come into force has been added.

Finally, Montreal Protocol No. 4 and the Guadalajara Convention will be annexed as Schedules IV and V.

[Translation]

It should also be noted that, when the bill has been passed and Canada has deposited the instruments of ratification with the Polish government, which holds the Warsaw Convention documents, it will avail itself of the right to grant an exemption to its military and government aircraft, as well as those chartered by the Department of National Defence, as permitted by the Convention and as we have done in the past.

[English]

Honourable senators, let me conclude by saying that the intent of Bill S-23 is both timely and non-controversial. It will provide clarity and certainty, not only for our Canadian carriers, but also for the international carriers with whom they cooperate or compete. It should reduce the potential for litigation and save time and money to carriers and shippers.

[Translation]

Honourable senators, it is important in my view that we pass this bill quickly. The longer we delay, the less competitive our carriers can be.

[English]

**The Hon. the Speaker:** Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill read third time and passed.

## FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS ACT

### BILL TO AMEND—SECOND READING

**Hon. Pierre De Bané** moved the second reading of Bill C-65, to amend the Federal-Provincial Fiscal Arrangements Act.

He said: Honourable senators, I am pleased to be speaking on second reading of what I consider to be legislation of major importance to this country and to the people of this country. I am sure that Senator Bolduc and Senator Beaudoin, who are very knowledgeable about the particular type of federalism we have in Canada, will be interested in this important legislation.

The proposed legislation amends the Federal-Provincial Fiscal Arrangements Act, which legislates a number of federal transfer programs to the provinces, such as Equalization, Stabilization, the Provincial Personal Income Tax Revenue Guarantee program, and the Canada Health and Social Transfer. Each of these transfer programs has its own distinct objective.

[Translation]

Thanks to the Equalization program, all provinces have comparable levels of revenues in order to provide equivalent levels of service. At present, there are seven provinces receiving equalization payments.

Under the Stabilization program, the federal government pays a consideration to each province whose revenues have dropped more than 5 per cent as a result of the economic situation. Even provinces with higher than average prosperity levels therefore have access to protective mechanisms with this Stabilization program.

Third, the Provincial Personal Income Tax Revenue Guarantee program protects provinces from large revenue reductions resulting from changes in federal tax policy.

Fourth, and finally, the Canada Health and Social Transfer provides assistance to all provinces and territories in the areas of health, post-secondary education, welfare and social services.

[English]

The legislation before us proposes to renew two of these federal programs — the Provincial Personal Income Tax Revenue Guarantee program and the Equalization program — each for an additional five years.

Under the revenue guarantee program, the federal government protects all provinces from large personal income tax revenue reductions resulting from changes in federal tax policy. Transitional protection is provided to all provinces so that their income tax revenue will not be significantly and immediately altered by federal amendments to the income tax base. In this way, serious disruptions to provincial financial planning arising from federal personal income tax changes are avoided.

[Translation]

However, the majority of the provisions in this bill relate to the Equalization program that is the financial cornerstone of Canadian federalism.

I am sure the former leader of the government in the Senate, Senator Murray, would agree with me that the Equalization program, a program of unconditional subsidies to the budgets of the provinces, was revolutionary when Mr. St Laurent set it up and was even more so in the years that followed. It was enshrined in the Constitution in 1982 and was bolstered by over \$2 billion in the latest budget of Prime Minister Jean Chrétien.

The government's equalization payments are calculated according to a formula set out in the legislation and based on a comparison between each province's capacity to generate revenues and a standard established according to the average capacity of five provinces: Quebec, Ontario, Manitoba, Saskatchewan and British Columbia. So, based on the weighted average of these five provinces that serve as a sort of benchmark, provinces are eligible for unconditional subsidies.

This formula applies to all the provinces, which are subject to the same standard. If they fall below this standard, they are entitled to equalization payments. However, provinces able to generate revenues greater than these standards are not entitled to equalization payments.

The formula is set out in federal legislation.

[English]

Under this formula, Ontario, Alberta and British Columbia currently do not receive any equalization since they benefit from their stronger economies and, therefore, have a greater ability than the standard to raise revenue on their own. Provinces that receive equalization are all raised to the same level. Each of these provinces receive different per capita and total amounts because they are all at different levels and therefore need differing amounts to raise them to the standard, but they are all raised to the same level.

For the next five years, it is projected that payments will be \$5 billion higher than over the previous five years, including increased payouts due to technical improvements worth an estimated \$700 million over that period. Last month's budget showed that payments will be higher this year. Current year payments are expected to reach \$10.7 billion, up \$2.2 billion from the 1998 budget estimate. Provinces have received \$600 million of this amount already and will receive the remaining \$1.6 billion in the next few days.

That is an important extra contribution to establishing a level playing field among the seven provinces that receive equalization — Newfoundland, Nova Scotia, New Brunswick, Prince Edward Island, Quebec, Manitoba and Saskatchewan.

[Translation]

Since the establishment of the Equalization program in 1957, the formula provided in the act has been the subject of a federal-provincial review and a renewal by the federal government at least once every five years.

The process includes broad consultations with the provinces, followed by the adoption of legislative measures by the Parliament of Canada. The consultation process has always required a lot of time and attention on the part of federal and provincial governments.

The legislative process comes exclusively under the federal government, since equalization is a federal program, not a joint initiative. It is a federal program designed to transfer revenues to the provinces, and these transfers are not subject to any condition. It is an unconditional subsidy.

Of course, if Mr. Bouchard wants to use that money to go to Catalonia, instead of setting up development programs in the Gaspé Peninsula, we are all going to suffer from it. The smile on the face of my colleague Senator Bolduc says a lot about what he thinks of using public monies to open so-called embassies abroad, instead of dealing with Quebec's economic development.

The last renewal exercise was no different. The ministers and officials representing the federal and provincial governments met regularly over a 27-month period. The bill before us today is the result of their work.

[English]

Over this 27-month period, numerous priorities that were determined jointly by federal and province officials were discussed. Some of these areas were also raised by the Auditor General in his 1997 audit of the Equalization program. Three of these priority areas are the sales tax base, games of chance, and user fees.

Other priority areas received much attention due to the complexities of the issues. These areas include the property tax base and measuring natural resource fiscal capacity. The parameters of the Equalization program — the ceiling, standard and floor — were also discussed at length.

As the consultation process came to a conclusion, the federal and provincial governments worked together in deciding on priority areas and improvements for this renewal. There remain, however, some areas where further analysis and discussions are required. The federal government and all provincial governments have agreed that these analyses and discussions will continue.

[Translation]

Generally speaking, the federal government and the provinces agree that the legislative measures we are considering today constitute another step towards improving the Equalization program.



I should now like to examine some of these changes. First, a few words about the sales tax base. The federal government plans to adopt a base consistent with both the retail sales tax system and the value added tax system, which are more recent. The government has also proposed to amend the method for calculating the tax potential associated with games of chance. The method now used is based solely on sales of lottery tickets in a given province. However, important changes have taken place over the years with respect to lotteries and games of chance. The government is proposing to take all forms of games of chance into consideration. This change will make it possible to calculate equalization payments with greater accuracy.

[English]

The third priority is user fees. The Auditor General recommended that the treatment of user fees in the Equalization program be reviewed. The federal government agreed to review the issue with provinces as part of the equalization renewal process.

The review indicated that there were substantive arguments for and against, including this source of revenue in the Equalization program. The federal government proposes to include only one-half of the revenues from user fees.

Natural resources, another area discussed by the Auditor General, received considerable attention over the course of the renewal discussions. Some examples of the changes proposed for the resource bases include: using an economic rent approach for the mining and mineral bases; using the existing practice for the oil base by dividing oil production into separate taxable categories, for example, heavy oil, light oil and third tier oil, that reflect the provincial taxable categories — two new categories are being added at this time to reflect current provincial practices — and for the forestry base, the value of production will replace the volume of wood harvested, allowing the calculation to take account of the differences in the value of various types of food.

[Translation]

The bill also includes improvements to the equalization ceiling and floor provisions.

The ceiling provision protects the federal government against unexpected increases in equalization payments. In other words, it prevents them from becoming excessive because of changes in economic circumstances.

The new ceiling will be set at \$10 billion in 1999-2000 and will increase subsequently according to the percentage change in the GDP. This will ensure that the program remains affordable and viable during the five-year renewal period.

The floor provision protects provincial governments against large and sudden reductions in payments.

The new floor will apply equally to all provinces eligible for payments and will reduce the fluctuations that can result from the application of the equalization formula during a period of

economic changes. This will give provincial governments more predictable protection.

[English]

• (1520)

As you can see, honourable senators, the content of this bill is significant and is based on considerable analysis and discussion. The proposed changes to the Equalization program are not taken lightly and in all cases are only adopted if they represent an improvement upon the existing program.

Improving the program is not an easy job because the program is already well designed, but we and the provinces are trying to do so because it is important. It is important because equalization contributes to the well-being of many Canadians and to the sense of fairness in all Canadians.

I wish to add, honourable senators, that this is one of the very few substantive changes that was entrenched in the Constitution Act, 1982, making equalization payments a duty of the federal government. In this context, it is vital that we get on with the job of reviewing equalization over the next five years.

**Hon. Terry Stratton:** Honourable senators, I am pleased to respond on behalf of the opposition in the Senate to Bill C-65, which will extend the Equalization program for another five years.

The last time we were asked to renew the program our colleague, Senator Tkachuk, noted in Hansard on March 17, 1994, page 224, that:

The Progressive Conservative Party views the equalization programs as one of the cornerstones of fiscal federalism. It is vital to our economic union.

That was, and remains, the position of the Progressive Conservative Party. Senator Tkachuk went on to outline the problems that we have with the Reform Party's approach, which would basically eliminate equalization payments to provinces such as Saskatchewan. We remain opposed to the politics of divide and conquer — that is, to the politics of pitting region against region, province against province and francophone against anglophone.

Honourable senators, equalization is not just a basic cornerstone of our Confederation but a requirement set out in the Constitution Act, 1982, which states:

Parliament and the Government of Canada are committed to the principle of making equalization payments to ensure that provincial governments have sufficient revenues to provide reasonably comparable levels of public services at reasonably comparable levels of taxation.

While my party supports equalization, that does not mean that this bill is without problems. There is certainly room for improvement both in this bill and in the way the government intends to structure, through regulation, the equalization formula based on the bill.

I should like to draw to the attention of the Senate three particular issues raised by the provinces. The first issue concerns the yardstick against which the provinces are measured when Ottawa calculates equalization entitlements. Currently, only the five middle provinces are included in the calculation of a national average ability to raise revenue. Some provinces, including, for example, New Brunswick and Quebec, argue that all 10 provinces should be part of that calculation.

The second issue involves a specific concern raised by the Government of Newfoundland and Labrador. The Equalization program is based, in part, on the difference between a province's ability to raise its own revenue and a per capita national average. That means that if a province loses people, it loses money. The Newfoundland government has suggested that there be some kind of a mechanism to ensure that when a province loses people, it does not lose its equalization money right away.

For example, if a census showed that the population had dropped, then the results of the previous census could be used. This could then take the form of some kind of floor mechanism in the legislation or it could take the form of a special fund. I am told that most provinces are quite willing to go along with this, as long as it is done through a special fund. Newfoundland and Labrador would be quite happy to have this addressed either through a floor or through a special fund, as long as it is addressed.

The decision to add gaming revenues to the formula is another problem. Provinces such as Manitoba and Nova Scotia have built casinos on the assumption that the benefits from profits and jobs will offset the social costs. As equalization will now claw back some of those profits, those benefits are reduced but the costs remain as high as ever. I realize that, nationwide, the changes in this bill will cause payments to rise by \$242 million per year. However, in my province of Manitoba, thanks to the new rules governing gaming and user fees, we will lose \$37 million.

Another example is the way Newfoundland and Nova Scotia are penalized by offshore oil developments. The government has rejected Newfoundland's request for significant changes to the way the formula treats offshore oil. Instead, it is making only minor changes. Newfoundland argues that it should not be penalized with a reduction in benefits just as it is beginning to pick itself up, and it may have a case.

Honourable senators, the changes in this bill are being phased in over a five-year period. Five years is a relatively short period of time when we are talking about the long-term development of a region's economy. Perhaps we should be looking at a longer period than the five years set out in the bill to phase in such changes.

It is unfortunate that the government wants us to rush this bill through as these issues need to be looked at. As is far too often the case, we are being asked to pass legislation at the last minute as the government, again, fails to manage its agenda.

I understand that we will hear from the Minister of Finance in committee on Thursday. I hope that some of the questions that we have placed before honourable senators today will be

answered. Hopefully, some of the questions that we have in this statement will be offset in another fashion. I hope so, because I would dearly like to believe that a province such as Newfoundland, which is finally developing its rich resource base, though facing a dropping population, should not be penalized. You have to take into consideration the movements, and you must allow a time period for adjustment.

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I will undertake to ensure that the Minister of Finance is sent a copy of the Honourable Senator Stratton's remarks as soon as it is possible so that he may address those issues in his opening remarks.

Motion agreed to and bill read second time.

#### REFERRED TO COMMITTEE

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the third time?

On motion of Senator Carstairs, bill referred to the Standing Senate Committee on National Finance.

### FIRST NATIONS LAND MANAGEMENT BILL

#### SECOND READING—DEBATE ADJOURNED

**Hon. Thelma J. Chalifoux** moved the second reading of Bill C-49, providing for the ratification and the bringing into effect of the Framework Agreement on First Nation Land Management.

She said: Honourable senators, I am pleased to speak today on Bill C-49 the First Nations Land Management Act. The bill ratifies a framework agreement that will provide 14 First Nations with authority to manage their lands at the community level and to pass laws for the development, conservation, protection, management, use and possession of their land. The framework agreement and this legislation give these 14 communities the option of managing their reserve lands and resources.

• (1530)

This means that they can undertake projects without first having to turn to the Minister of Indian Affairs and Northern Development for approval. They will have the flexibility to move quickly when economic opportunities arise or when potential partners approach them. The First Nations can get on with the task of creating jobs and economic growth in their communities. Decisions can be made at the local level.

Honourable senators, this framework agreement supports Canada's efforts to increase self-sufficiency in First Nations communities. We are working in partnership with aboriginal people to ensure that they have the skills and the expertise to shape their own solutions. This bill is a major component of that effort, and of the broader goals that the government outlined just over a year ago with the launch of "Gathering Strength: Canada's Aboriginal Action Plan." Under Gathering Strength, Canada's priorities are to renew partnerships with aboriginal people,



strengthen government systems, develop a new fiscal relationship and support strong communities, peoples and economies. This framework agreement and this bill are steps towards supporting each of these objectives.

The bill provides a basis for renewed partnerships at all levels. Under this legislation, First Nations will be able to sign service agreements on their own behalf with their neighbours on matters such as water and sewer services, schools, roads and so forth, without the necessity of coming back to the minister for final approval. Some of these partnerships already exist. For instance, one of the signatory First Nations has lent money to a neighbouring municipality to assist in the completion of a water project. This type of cooperation provides mutual benefits to both jurisdictions. We hope to see more of these partnerships flourish under the new legislation.

Bill C-49 also establishes new partnerships among the 14 First Nations. The communities have agreed that once the framework agreement is ratified, they will continue to work together in a spirit of cooperation. They will coordinate their activities through a land advisory board to help them develop land codes, negotiate individual agreements, model laws and monitor the process. This is a tool that will help them build partnerships among themselves and build capacity in their communities. This is the road to self-reliance and the road to self-government, honourable senators.

This leads me to the second objective under Gathering Strength, namely, strengthening governance systems. The new regime provides an opportunity for First Nations to build experience and expertise in a wide variety of areas, preparing them for a more comprehensive approach to self-government in the future. First Nations will control the issue of leases, licences and other interests in their lands. They will have the authority to enforce laws and establish enforcement procedures, including appointments of justices of the peace. They will have the legal capacity to deal directly with banks to borrow, contract, expend and invest moneys.

They will have the authority to enter into co-management arrangements with other jurisdictions to develop integrated land and resource use and co-management systems. They will retain and manage revenue from land transactions for which they will be accountable to their members.

For the first time they will be required to establish formal environmental assessment and protection regimes. The environmental regimes will be harmonized with federal environmental regimes, and with those in effect in the relevant province. Environmental standards and penalties will be at least as effective as those of the province in which the First Nation is located.

The provinces will be invited to participate in planning and as parties in the negotiation of subsidy environmental agreements. In this way, the framework agreement is a step forward in promoting environmentally sustainable economic development in Canada.

All of these elements are spelled out in the land code that the communities will develop and ratify. They will be able to develop the experience and the expertise of community members that can later be applied to more comprehensive self-government initiatives.

This brings me to Gathering Strength's third objective. Honourable senators, in creating a new fiscal relationship with First Nations, the framework agreement spells out a high degree of accountability for these First Nations, both financial and locally. Under the agreement, the First Nations must develop a land code that sets out their basic rules and procedures to govern lands and interest in land and resources after the land provisions of the Indian Act cease to apply.

As part of their opting-in procedure, the community must vote on the provisions of the land code. These measures ensure the participation of the community at the outset, and seek its approval for the process. All members of the First Nation who are 18 years or older, whether resident on or off reserve, will be eligible to vote in the community approval process. At least 25 per cent of the total eligible voters would have to approve land codes and individual agreements for them to be valid. In this way, First Nations can be assured that their memberships are fully apprised of all aspects of the opting-in process and subsequent administration of the lands and the moneys. In other words, this is an accountability process built to high standards.

To underscore the high level of accountability the First Nations expect from the ratification of the land codes, honourable senators, the bill provides for the joint appointment of a verifier by the First Nation and the minister to confirm whether the proposed land code and the community approval process were consistent with the terms of the bill and the agreement. The verifier would also determine whether the land code and individual agreements have been approved by the confirmed process. From the day the land code takes effect, revenue moneys other than those derived from oil and gas activities, will be collected and managed by the First Nations. Specific accountability mechanisms are being built into their land codes to ensure financial accountability to all members.

Finally, honourable senators, this bill helps the government meet its objectives to create self-sustaining, economically viable First Nations communities. When decisions can be made at the local level without departmental involvement, the First Nations will be able to respond more quickly to economic opportunities. They can get on with the job of creating economic growth without having to check with Ottawa every time an opportunity presents itself. The benefits will also spread to neighbouring communities, which will prosper from economic spinoffs.

This bill will establish a win-win situation for all parties. The First Nations win because they have greater control over land and resources. The First Nation members will win because bridges are built between them and their First Nation council through accountability mechanisms. Other First Nations will benefit from being able to study the effects on these 14 signatories and by being able to use the framework agreement as a model for future



self-government agreements. The federal government will benefit from no longer having to administer specific sections of the Indian Act for these 14 First Nations. It can reduce its involvement in the day-to-day management decisions and activities of these First Nations. The neighbouring municipalities and affected provinces will benefit from economic development spinoffs as various land and resource management initiatives begin to take off.

Honourable senators, there is one other issue I wish to address and that is the division of matrimonial property in the event of marital breakdown. This matter will be resolved by the signatory First Nations. The communities will decide. They are seeking the authority to develop solutions that fulfil the needs of their communities and the interests of equity.

The signatory First Nations have agreed to address matrimonial property rights in the framework agreement and this bill before us. Under Bill C-49 and the framework agreement, the signatory First Nations must establish a community process that will develop rules and procedures within 12 months of the date that the land code takes effect. Twelve months is the maximum, not the minimum time that they are allowed before rules are in place. An arbitration process has been set up to ensure that this delay will be respected. The rules and procedures cannot discriminate on the basis of sex.

However, there is a larger issue at stake here, one that goes beyond the 14 First Nations that have ratified the framework agreement; one that affects all First Nations. What can be done to resolve the current vacuum concerning division of matrimonial property in the Indian Act? The Minister of Indian Affairs and Northern Development is committed to finding a way to address this gap in the Indian Act. She has announced that an independent fact-finder process will be established, with the participation of aboriginal partners, to examine the division of matrimonial property on reserves for remaining First Nations communities.

• (1540)

At the present time, the department is holding discussions with the aboriginal partners on the proposed process as well as the need to develop terms of reference and the need to identify potential candidates for the position of fact-finder.

Honourable senators, the 14 First Nations who came forward with the framework agreement to opt out of the land management provisions of the Indian Act have shown great capacity for establishing a fair system that would develop the abilities of their communities to resolve their own problems. The issue of matrimonial homes is one example of the strength of the process.

The framework agreement has been amended. The bill before us reflects those amendments. It is now time to let these communities get on with the challenge of implementing the regime they have created.

In conclusion, I wish to speak about the 14 First Nations who are the signatories to this final agreement. They are leaders in land administration, and this initiative was brought forward at their request. Despite their eagerness to get on with the task of governing their own land, they have waited patiently for this legislation. They have worked cooperatively and in partnership, not only with each other, but also with the federal government, with the affected provinces and with other third-party stakeholders.

This legislation is about much more than land management, honourable senators. It is about self-reliance. It is about economic opportunity. It speaks to the new relationship we are building with the aboriginal people, one based on the principles of mutual respect and recognition, responsibility and sharing.

I will be pleased to refer Bill C-49 to the Standing Senate Committee on Aboriginal Affairs for further examination.

**Hon. Noël Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, before I move the adjournment of the debate in the name of Senator Ghitter, would Senator Chalifoux be prepared to answer a couple of questions of mine?

**Senator Chalifoux:** Yes, I would. I do not mind at all.

**Senator Kinsella:** A number of First Nations members across Canada have raised concerns around this bill. Perhaps it would be helpful if the honourable senator would clarify at the beginning of our debate on this matter that this bill affects only those 14 First Nations that have signed the framework agreement?

**Senator Chalifoux:** Yes, that is correct.

**Senator Kinsella:** Another question has been raised, and I take an interest because one of the First Nations included in the schedule is Saint Mary's, found not only in my province but in my city of Fredericton. They are quite excited about this new opportunity for self-reliance and self-governance.

Saint Mary's is within the Maliseet Nation. Questions have arisen, particularly around the rules of marriage breakdown. I have been meeting with a number of First Nations people in our province and the questions are not coming from the community affected but from First Nations people who are living elsewhere.

What guarantees can you give to allay the fears that are being raised about that section which speaks to the rules on the breakdown of marriage? For example, will the Charter of Rights and Freedoms be applied?

**Senator Chalifoux:** At this point in time, the Indian Act does not address anything regarding marital breakdown or the division of property. It is totally silent. I believe this proposed act will open up that discussion. From my reading and investigations, and from the minister's comments, this bill will give those people who are affected the opportunity to bring to this debate exactly what they want. They can tell us how they feel.

This is a wonderful opportunity. We are really assisting here in building a substantial basic framework in which to address those issues that have never been addressed before.

On motion of Senator Kinsella, on behalf of Senator Ghitter, debate adjourned.

## ROYAL ASSENT BILL

### SECOND READING—DEBATE CONTINUED

**Hon. John Lynch-Staunton (Leader of the Opposition)** moved the second reading of Bill S-26, respecting the declaration of royal assent by the Governor General in the Queen's name to bills passed by the Houses of Parliament.

### POINT OF ORDER

**Hon. Jeremiah S. Grafstein:** Honourable senators, I raise a point of order on this bill. This is the appropriate time to raise this point of order, it being the first opportunity since first reading of the bill. I question whether the bill is out of order by virtue of being contrary to rule 63(1). Let me explain.

As I read the new Bill S-26, which is in fact a surrogate bill for the earlier Bill S-15, there appears to be nothing new or different between the two bills. They seem to be, on my reading, the same in substance.

Turning to rule 63(1), it states:

A motion shall not be made which is the same in substance as any question which, during the same session, has been resolved in the affirmative or negative, unless the order, resolution, or other decision on such question has been rescinded or hereinafter provided.

The basis of that rule is found in *Beauchesne's Parliamentary Rules & Forms, 6th Edition*. Rule 558(1) states:

### Decisions of the House

An old rule of Parliament reads: "That a question being once made and carried in the affirmative or negative, cannot be questioned again but must stand as the judgment of the House." Unless such a rule were in existence...

Honourable senators, we know the rule is in existence in the Senate.

...the time of the House might be used in the discussion of a motion of the same nature and contradictory decisions would be sometimes arrived at in the course of the same session.

Beauchesne seems to say that, if an issue or resolution is raised, there are two precious questions related to the house time: that is, the use of the house time and, second, whether a contradictory result may evolve.

Honourable senators will recall that this bill has an interesting history. It was introduced by Senator Lynch-Staunton. I refer you to the *Journals of the Senate* of Thursday, March 11, 1999, at page viii. It refers to Bill S-15 and the bill is defined in exactly the same terms as Bill S-26:

An Act respecting the declaration of Royal Assent by the Governor General in the Queen's name to bills passed by the Houses of Parliament...

That bill was first introduced on April 4, 1998. It went to second reading on June 6 and was then referred to committee. The committee had the report over the summer and, as Senator Lynch-Staunton said, there were certain amendments proposed.

I, in turn, over the summer, prepared certain amendments. Before I had an opportunity to introduce those amendments, the bill was withdrawn on December 8, 1998.

• (1550)

It seems to me, honourable senators, that this withdrawal is tantamount to a negative. Why? In order for the honourable senator to withdraw Bill S-15 at the time, he required, at the Speaker's urging, my consent, and leave. At that time, we had gone through first and second reading stages of the bill. It had been referred to committee. I was about to propose amendments, as the honourable senator knew. Instead of allowing the bill to take its normal course at that time, the senator chose, with leave, and with my consent, to withdraw the bill.

Was this action in effect a negative decision? As I said, the principle of Beauchesne is that bills should not be introduced in the same session in order to save the time of the Senate. Nor should they be introduced at the same time because there might be contradictory results. It is my position that by reintroducing in this session the same bill in substance, this opens up the Senate to abuse.

Honourable senators, let me explain. Any senator could bring in a bill, test the waters, have it go to committee, where there could be extensive debate, and then withdraw the bill being dissatisfied or choosing not to come to a decision to resolve the matter. In the circumstances, I believe we do not wish to encourage a practice that takes up precious Senate time in a way that is inappropriate.

Senator Lynch-Staunton knows that when this bill is referred to committee, I will then introduce my bill at second reading. In effect, we will have had first reading, second reading, and reference to committee where the time of senators will be taken up. He knows that I will introduce amendments, which will not be much changed. Meanwhile, all that we have lost is public time. I believe the question is whether or not we should encourage this type of practice.

What the honourable senator opposite has done is tantamount to usurping a right of this house, and this bill should be ruled out of order.

**Hon. John Lynch-Staunton (Leader of the Opposition):** Honourable senators, before even reintroducing the same subject-matter, and not the same bill, it had occurred to me there would be a point of order raised exactly along the lines of those mentioned by Senator Grafstein. However, the key question for Your Honour to rule upon is whether or not the question was put. In this case, a question was not put. The whole proceeding was to withdraw the bill without a decision of the house being taken on the subject-matter, one way or the other. It was done with the full consent of the house and with the full knowledge of the house that the purpose of the withdrawal was to reintroduce it. I think I said at the time, when we return in February. At least the house knew that it was to be reintroduced.

There was no hidden motivation. As I explained to the house at the time, the bill was getting bogged down and not moving. I felt that we should start afresh. Without a decision being taken at the time, I felt we could move the subject-matter more expeditiously and come to a resolution.

Your Honour, I suggest that the point of order should not be upheld, since the question was never put.

**Hon. Noël Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, Senator Grafstein raises an interesting point of order. He has drawn our attention to the judicious use of the time of the house, which is very important. I concur with that as a principle.

However, the business of the house is legislation and using our procedures to guide us in achieving the best possible legislation. The withdrawal of a motion, even a motion that is proposing a bill, is well recognized. On page 178 of *Beauchesne*, Sixth Edition, we find reference to the withdrawal of motions and, indeed, amendments.

I ask honourable senators to think for a moment of what is transpiring. We can withdraw a motion for the purposes of having a better legislative proposition placed before us. Therefore, the withdrawal of a motion must also be viewed as a means of going forward as, indeed, is the case before us. There was agreement in the house, because such agreement was required, for Senator Lynch-Staunton to withdraw his measure. It was being withdrawn, as Senator Lynch-Staunton said, without causing any ill effect to the principle of the measure. That was the purpose of withdrawing it, as opposed to letting it go forward to be defeated. Had it been defeated, then, yes, it could never be introduced in this Parliament.

That is the rule that speaks to not wasting the time of the house, such as when the house has deliberated and taken a decision. When a matter is withdrawn, it is being removed from the decision-making process. Thus, no decision has been taken. Indeed, it is an appropriate technique to be used in order that a better proposition can be brought forward for decision.

It seems to me, honourable senators, that it would be debilitating if we were not able to use the withdrawal technique

in order to bring forward a better proposition upon which, at the end of the day, a decision will be taken. I suggest that no final decision has been taken on the matter. There was no negation. Therefore, we were dealing precisely with the issue of withdrawal. I submit the withdrawal does not obviate the presentation of a better bill, which is what is occurring and ought not to be interfered with.

**Senator Grafstein:** Honourable senators, I agree fundamentally with what Senator Kinsella has said in terms of his proposition, but not his conclusion. What he said, and I use his own expressions, is that this is a better piece of legislation; this is an improved piece of legislation. If, in fact, that is the case, then, obviously, my objection should fall to the ground. However, I take the position that the bill is the same in substance.

If it is the same in substance, what is the spirit of the rule? The spirit of the rule is as set out in *Beauchesne*:

— the time of the House might be used in the discussion of a motion of the same nature —

In effect, if Senator Kinsella is correct, which is a finding for you, Your Honour, and if the bill is an improved piece of legislation or substantially different, then my argument should fall. However, if you find that it remains substantially resolved, then a motion shall not be made which is the same in substance on any question during the same session.

If Your Honour finds that it is the same in substance to any question during the same session, then I think the spirit of the rule suggests that what Senator Lynch-Staunton should do is cool off, come back in another session with, perhaps, an improved piece of legislation, and we will start afresh.

**Senator Kinsella:** The plain and clear words of the rule provide:

A motion shall not be made which is the same in substance as any question which, during the same session, has been resolved in the affirmative or negative —

Of course, the point is that it was withdrawn so that we would not take a decision in either the affirmative or the negative.

• (1 600)

It seems to me that that is the specific difference; that is the key that allows us to withdraw propositions so that there is no affirmative or negative decision taken. Otherwise, we frustrate ourselves in attempting to bring forward the kinds of measures that honourable senators wish to deal with directly.

**The Hon. the Speaker:** Are there any other honourable senators who wish to speak to the point of order? If not, then I am prepared to rule.



## SPEAKER'S RULING

**The Hon. the Speaker:** Honourable senators will not be surprised that I had anticipated that a question might be raised. As soon as I saw the bill coming back on the Order Paper, I myself wondered whether or not it was in order. I consulted the rules, and our own rule 63(1) is very clear. It states:

...has been resolved in the affirmative or negative...

That has not happened, of course. What has happened is that the bill was withdrawn.

I then consulted Erskine May, which states clearly:

...but if a bill is withdrawn after having made progress, another bill with the same objects may be proceeded with.

Based on that, the bill was withdrawn with leave of the Senate. It was not proceeded with. I rule that the bill is in order.

**Hon. John Lynch-Staunton (Leader of the Opposition):** Honourable senators will recall, if I have to say it again, that a bill similar to Bill S-26 was withdrawn late last year. Bill S-26 is not only a substitute but, it is hoped, an improvement on that bill. The previous bill, Bill S-15, was subject to amendments during hearings by the Legal and Constitutional Affairs Committee; amendments which in no way altered the purpose of the bill, but rather strengthened it, and these amendments are now incorporated in Bill S-26; amendments introduced by Senator Joyal and endorsed by all committee members.

Let me first say what this bill does not do. It does not do away with the traditional Royal Assent ceremony. While it offers an alternative, it provides that the traditional ceremony be held at least once each calendar year, in the case of the first appropriation bill presented for assent in a session. If this bill becomes law, the tradition will remain and, by being exercised less often, have a chance of taking on more significance than it has now.

The Senate and the House have been debating this subject off and on for over 15 years. As far back as the spring of 1983, Senator Royce Frith proposed an alternative for Royal Assent. The Special Committee on the Reform of the House of Commons, the McGrath Committee, dealt with the issue in 1985. Our own Rules Committee looked at it in the same year and was sympathetic to change. Senator Murray introduced Bill S-19 in July, 1998, on which the present Bill S-26 is based. In 1993, the House of Commons Standing Committee on House Management recommended "...declarations of Royal Assent by written message."

Canada is the only country to retain the formal Royal Assent ceremony requiring the presence of the sovereign or the Governor General or a deputy. As stated in the McGrath report:

...we note that Canada is still using a practice which was abandoned by the United Kingdom Parliament in 1967.

Note the word "abandoned."

How is Royal Assent given in the United Kingdom, where the ceremony still carried out in Canada has been abandoned? It can be done in two ways: first, by three Lords Commissioners, to quote from the Royal Assent Act of 1967, "in the presence of both Houses in the House of Lords in the form and manner customary before the passing of this Act." Granting assent on behalf of Lords Commissioners has been allowed since 1541. The last monarch to appear for Royal Assent was Queen Victoria in 1854.

The second way provided in the act is that Royal Assent could be "notified to each House of Parliament, sitting separately, by the Speaker of the House, or in the case of his absence by the person acting as such Speaker." It is this latter alternative which is included in clause 4 of Bill S-26.

Clause 7 of Bill S-26 is the most significant change from the withdrawn Bill S-15, and at first sight appears to nullify it. It reads:

No royal assent is invalid by reason only that section 3 is not complied with.

This has been added to provide for an unexpected event such as a prorogation or an election, or both, before the requirements concerning the traditional ceremony can be met, and it is certainly not meant as a thinly disguised way to eliminate it completely.

The bill respects tradition while acknowledging reality. As one observer has said, "Royal Assent is still a necessary formality, and is at the same time nothing more than a formality." It attracts little if any attention. It is not easy to arrange at a time convenient to all. On some occasions, not one member of the House of Commons other than the Speaker or Deputy Speaker attends. The Senate itself can sometimes have many more empty seats than occupied ones. The atmosphere is more of disinterest than awareness that a long, and many times arduous, legislative process is finally resulting in law.

I am convinced that, with fewer ceremonies, Royal Assent would take on more significance. It could be, if scheduled well in advance, an occasion to look forward to and not continue as a routine and somewhat dull affair, which many consider it now, and whose significance, as I said, escapes too many.

Canada's history is replete with constant searches for identity, for recognition for what it has created for itself, and for how it has improved on what it has borrowed. While the political development of our country has evolved without major disruptions as a result of not only learning from but also using the past, our claim to a special identity cannot be supported without shaking off some of that past. How ironic that the United Kingdom, which has so inspired parliamentary reform around the world, is presently engaged in a major reassessment of its centuries-old institutions and customs. The Lords will soon be relieved of its hereditary peers. The Lord Chancellor has been relieved of his black tights and buckled shoes. Scotland and Wales are to benefit from different forms of devolution. There is even a suggestion that church and state become separate.

Yes, many traditionalists object to change, any change, but society can only flourish through change. The one proposed in Bill S-26 is but a modest one and, since it respects tradition, will, I trust, receive wide support here and eventually in the other place.

On motion of Senator Grafstein, debate adjourned.

## ACCESS TO INFORMATION ACT

### BILL TO AMEND—THIRD READING

**Hon. Shirley Maheu** moved the third reading of Bill C-208, to amend the Access to Information Act.

Motion agreed to and bill read third time and passed.

## TRANSPORTATION SAFETY AND SECURITY

### CONSIDERATION OF INTERIM REPORT OF SPECIAL COMMITTEE—DEBATE CONCLUDED

On the Order:

Resuming debate on the consideration of the first report (interim) of the Special Senate Committee on Transportation Safety and Security, deposited with the Clerk of the Senate on January 28, 1999.—(*Honourable Senator Spivak*).

**Hon. Mira Spivak:** Honourable senators, I wish briefly to reinforce some of the things that Senator Forrestall mentioned in presenting the interim report of the Special Senate Committee on Transportation and Security. I agree wholeheartedly — and who does not? — that it is through the non-partisan work of committees such as this and its predecessors that the Senate really shines.

We all know that this chamber has its critics. I believe there would be fewer of them, and fewer people would listen to them, if they would first take time to study some of the work done by committees.

• (1610)

The issue of transportation safety touches people every time they board an airplane, drive over a level railway crossing, get into a boat at the cottage, or get in the car and drive alongside a large truck on the highway.

For some time, I and other senators on the committee have had a particular interest in trucking safety. For some time, we have heard that we do not have a standard for truck safety rules across this country. With some provinces setting safety rules that are significantly different from national safety standards and drivers in some provinces working much longer hours and suffering accident-causing fatigue, there is a hodgepodge of rules that play some part in the deaths of almost 600 people and injuries to 12,000 Canadians every year in big truck crashes, a surprising number.

Last spring, as we debated amendments to the Transportation Safety Board Act, I tried without success to propose a new way of tackling the problem. I believe that we could improve the safety of our highways by giving the federal safety board the authority and resources to investigate major trucking accidents. The board could make recommendations to help both federal and provincial authorities, to help the motoring public, and to help the responsible trucking industry that is more interested than anyone else in getting unsafe rigs and unsafe drivers off the road. In fact, my idea was hardly new. It was the recommendation of the five-year review team set up by the then-government which examined the safety board. The amendment was defeated on division, but I am happy to say the idea is alive and well and living in Recommendation No. 5 of the interim report. I sincerely hope the government will act on it.

The report has other valuable suggestions on road safety. Committee members saw the need to have consistent laws for trucking and an enforceable national safety code. Practically, however, to get to that stage would require the cooperation of all provincial and federal governments. The committee is determined to work towards that goal. Frankly, I believe this committee, whose members represent many regions of the country, is very well suited to that job.

Another special interest of mine and others is marine safety. As the interim report notes, more than 200 Canadians every year die after heading out on the water in small boats, from canoes to sailboats to large power cruisers. This year, the government put in place new age restrictions and new training requirements for people who operate boats equipped with motors. That is all well and good, although there are news reports of boating groups opposed to the regulations. Some believe they are being over-regulated to solve problems created by a new and different hazard on the water — high-powered jet-skis or sea-dos.

I am also very concerned about the safety of and disturbance created by these new 100-horsepower water toys in the hands of very young people, thrill-seekers, or jet-ski renters who do not have the skills or knowledge to handle all that horsepower on a busy river or quiet lake. As the Canadian Red Cross said in a recent report:

The public tendency to consider personal water craft as water toys instead of small powerboats and the easy access to those machines through rentals, have led to a serious lack of personal skills and knowledge of most PWC operators.

Few people have drowned in jet-ski accidents, but there have been deaths. In 1996 alone, five people died in jet-ski collisions. In recent years, children in small boats, one in a canoe in Quebec, have been victims of these tragedies. Last year, a very terrible accident took place on the lake where we summer. A person was literally cut in half by a jet-ski. The new boating regulations will require anyone driving a jet-ski to be at least 16 years of age. I am not persuaded that the regulations which resulted from cabinet's decision to deny cottagers the right to

restrict the hours of jet-skis on their lakes will do the job that is required. As the committee monitors these regulations, I hope it will keep in mind what else may reasonably be needed to regulate these very powerful, noisy, and dangerous watercraft.

The interim report has many other recommendations to the government and some observations on how transportation safety is encouraged in other countries. I will not detail them all. Instead, I encourage you to read it carefully and to support its thoughtful suggestions.

Honourable senators will also see that a good deal of fascinating work remains. I hope that more senators opposite and on this side will find it intriguing enough to accept our chairman's invitation to join in this valuable committee work.

**The Hon. the Speaker:** If no other honourable senator wishes to speak, this order shall be considered debated.

### THE BUDGET 1999

#### STATEMENT OF MINISTER OF FINANCE—INQUIRY— DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Lynch-Staunton calling the attention of the Senate to the Budget presented by the Minister of Finance in the House of Commons on February 16, 1999.—(*Honourable Senator Graham, P.C.*)

**Hon. Thérèse Lavoie-Roux:** Honourable senators, on February 16, the federal budget for the 1999-2000 fiscal year was delivered by the Minister of Finance in the House of Commons. How the government chooses to prioritize its spending is of significant importance to the well-being of Canadians, so please permit me to address some issues of concern with respect to the budget.

As you know, this budget has been coined the "health care budget," given that it injects additional funds into transfer payments to provinces which are intended for health care spending. The Liberal government's recognition of the need for additional investment in health care is to be applauded.

[Translation]

I see Senator Graham is not here, but I heard him describe our health system as the best in the world.

[English]

It is time he reviewed that, because this is no longer true. We should go back to some progress.

Our health system in Canada is a fragmented one and requires a more stable infrastructure to meet current and future demands on the system. The proposed budget does address the need for infrastructure improvement, but one must question whether the

framework it sets out will in fact have the desired effect of improving, in a comprehensive way, the foundation of our health care system. To quote Health Minister Allan Rock:

It's not just a question of throwing dollars at the health-care system.... It has to be spent well to produce the result we want, which is quality care.

Mr. Rock will apparently be meeting with the provincial health ministers in May to begin talks about health care reform. What guarantees do we have that the framework will capture the essence of the health care needs of Canadians? What is his vision of where health care is going in our country, and what type of leadership role will the federal government play? These questions remain unanswered, at least for the time being.

[Translation]

Honourable senators, I have always preached improved health care for Canada. According to *The Globe and Mail*, inflation and demographic changes have inflated the annual health care bill in Canada by some three billion dollars. While medical costs are continually on the rise, the present government has chopped \$17 billion from the transfer payments to the provinces since 1993. That is really something. Some analysts predict that, even adding in the extra \$11.5 billion allocated to health in this budget, the cuts in transfer payments that will have accumulated between 1993 and 2003 will total \$37 billion just for health.

It distresses me greatly that the health system, as the result of having seen cuts and having to stretch its resources to the utmost, does not always meet the needs of the public. Every one of us has seen this for ourselves. The health system is deteriorating; emergency departments everywhere are filled to overflowing, such services as home care and homes for the elderly are in short supply, there is a shortage of physiotherapy services, and in many places it is hard to access medical care. I have no hesitation in supporting the efforts expended by the federal government to revitalize our health insurance system, although it is our job as senators to plead the cause of responsible government and a budgetary policy that will provide us with the best health care system we can afford.

[English]

Another area targeted by the budget is research. If Canada is to maintain and improve its position in the world of research, it is crucial to support research and development. However, as stated in a recent article in *The Toronto Star*:

While the additional \$1.5 billion in spending on R&D over a four-year period is welcome, it isn't very much considering past cutbacks and the already low levels of such spending in Canada compared to other advanced economies.

Compared to other countries, and in relative terms, Canada will still be one of the lowest-spending countries when it comes to investing in knowledge. One must wonder whether the targets to medical research will have a significant effect on the current "brain drain" in Canada.



Honourable senators, it is also of concern that the federal budget has ignored the new strategic initiatives proposed by the National Research Council, which were developed in conjunction with industry, provincial governments, and universities. Why would the NRC's proposed initiatives not be taken into consideration when setting the course for federal spending on research?

With respect to medical research in particular, the budget calls for the establishment of the Canadian Institute of Health Research, an idea proposed by the Medical Research Council last year. The legislation to establish that institute is expected in the fall, I am told, and funding in the amount of \$240 million will be allocated over two years, beginning in the year 2000-2001. What is confusing is that there are no details on the ongoing funding of the Canadian Institute of Health Research. What happens after two years? I am concerned about the lack of vision and the lack of commitment to a solid, comprehensive plan for health research on the part of our leadership.

One area of particular concern, which is almost always overlooked in health research, is mental health and mental illness. In Canada, we have very little knowledge of the state of the mental health of our citizens. The Canadian Institute of Health Research will be establishing 10 or so institutes based on specific teams. Of the institutes to be established, will one be dedicated to mental health, a much-needed area of study in health research today? I hope this point is addressed as the plans for health research unfold.

Honourable senators, this is not an imaginary concern. Just think of the suicide rate in this country. Just think of all the people we call "homeless."

[Translation]

Many of them are mentally ill and yet we hear little of them. I am not criticizing the federal government any more than the provincial governments. It is a problem that requires attention soon, because things are getting worse, not better.

During deliberations of the Standing Senate Committee on Social Affairs, Science and Technology, confidence was one of the values discussed, more specifically on the subject of social cohesion. Witnesses told us that to achieve economic stability, we had to revive public confidence. Social inequality is certainly not the best way approach In Canada, the gap between the rich and the poor is growing. And there are countless economic policies affecting and hindering social cohesion by exacerbating poverty and unemployment.

Honourable senators, I do not see in this budget the tools our country needs in social and economic terms to greet the new millennium. There is nothing for the disadvantaged in Canada, as Senators Atkins and Cohen pointed out last week. On the contrary, the budget completely ignores social assistance and post-secondary education and focuses on health care, which, I must admit, was needed. Reductions in transfer payments to provinces for health and social services remain in effect. With increased child poverty, the drama of the homeless in our cities and the terrible extent of poverty on Indian reserves, reductions

in transfer payments for health and social services are a cause for concern. No doubt, there is some relief, and I recognize it and again congratulate the government. We need a longer term vision.

Education, a factor in inequality, was also hit by cuts. A recent report by Statistics Canada reveals that families must now spend 19 per cent more particularly because of the increase in education costs in post-secondary institutions.

I would like to know how the government intends to fight these serious problems. And it must want to do so.

[English]

Finally, honourable senators, I wish to comment briefly on the issue of unemployment. We are aware of reports of a falling unemployment rate — so much the better. Unfortunately, the truth behind this apparently good news is that cuts to Employment Insurance have been so great that the majority of people without jobs no longer qualify for EI and so are not taken into account in these reports. Joblessness persists as a problem in Canada; yet, EI had a surplus of \$20 million. Is it not logical to reinvest financial resources in our people, for instance, by providing meaningful job training? Why does our government choose, rather, to use the surplus in EI to reduce the national deficit? That, in itself, is good, but we cannot leave out all those people who suffer from the cuts to EI. This is an example of how the budget is being balanced on the backs of the poor and the unemployed, the very people who depend on government assistance, the people we are turning away and to whom we are preaching self-sufficiency.

Honourable senators, I have outlined my concern with the federal budget as it relates to health care, research, and social problems in Canada. I have serious concerns about proceeding with this budget in good conscience, and I support Senator Lynch-Staunton's suggestion that there be consultation prior to the actual implementation of the budget. It is characterized by contradiction and risks that we must address as responsible parliamentarians. The role of the Senate, that of sober second thought, must be exercised in the interests of protecting public interest. Let us never forget that we are here to serve the public, particularly the more needy citizens of this country, to the best of our ability.

[Translation]

**Hon. Roch Bolduc:** Honourable senators, this year again, the Minister of Finance delivered a triumphant budget speech on the performance of the government and of the Canadian economy. The minister proudly listed the positive aspects of these performances.

I listened to him carefully and, while I can understand how proud he is at being at the helm at this point in time, when the annual deficit is a thing of the past, when interest and inflation rates are low, and when the budget surplus meets with the approval of the public, I find it harder to understand why a man who holds such an important position would refuse to tell us the whole truth about the country's economic situation. If there is a

person in charge who should objectively discuss the overall economic situation, it is unquestionably the Minister of Finance. Since he did not do it, someone must point out the things that he overlooked. This is what I intend to do now.

It would be wrong to ignore the worrisome aspects of our social and economic conditions. After all, we are not in the situation of the Minister for International Trade who, in order to sell our products abroad, publishes brochures showing everything that is good about Canada, and makes speeches all over the world to attract foreign investors. This is fine, but we must set aside the apologetic tone used by our ministers and take a look at things that are cause for concern.

[English]

• (1630)

I am by no means the first to emphasize the need for an objective and independent analysis of the economic performance of our country and of the Government of Canada. The president of the Conference Board of Canada has already said that, and his annual report on the performance and potential of the Canadian economy is a valuable tool to do that. I recommend that you read it.

I was inspired by both that report and other studies published in 1998 and 1999 by the C.D. Howe Institute, Statistics Canada, the Bank of Canada, economists who have had their work published in various periodicals and newspapers, and by the OECD whose annual report I had the honour of discussing last September in Strasbourg. I was also inspired by certain tables released by the Department of Finance on which the minister declined to comment.

Honourable senators, the field of economic policy is very wide. There are instruments, especially short-term ones, that act as stabilizers in the macro-economic situation and which always attract the attention of politicians and the public, such as monetary policy and fiscal policy, the latter being implemented through public expenditure and taxation.

[Translation]

I will obviously devote part of my speech to these short-term instruments because, in the present strong economy, they are almost all the budget speech mentions. However, one of the reasons we are here is to look a little further down the road. That is why I will begin by looking at structural policies, the medium-term policies that have an impact on microeconomics, on the prosperity of individuals and businesses, and that therefore affect the relative prosperity of our country and its growth, our standard of living and ultimately our quality of life. In this sense, medium-term action is more important than the more fashionable short-term policies mentioned by the minister.

[English]

These policies are over and above a climate that is either favourable or unfavourable to short-term growth. They directly affect factors of production, which are the inputs into the process

of national production. They are, first, human resources, including their quality, their effort and their performance. Next, there are physical resources, which are natural resources and equipment. There is technology, including the condition under which it is developed, and industrial innovation. Next is the efficient allocation of capital and, finally, the organization and management of firms, whether for the manufacture of goods and services or in the anticipation of market demands.

Each of these elements is essential to productivity gains and, therefore, affects the competitiveness of our economy. This determines, finally, our prosperity, because what characterizes the current economic globalization is specifically the mobility of capital, goods and manpower.

[Translation]

With a relatively strong production capacity and a relatively small population, Canada is extremely sensitive to this mobility. If our productivity makes us competitive, we export our goods and services, and if we are not competitive, our economy slows down almost immediately.

It is therefore appropriate at this time to look at productivity, employment, unit labour cost, labour force participation rate, production per employee and per capita income because these are the key factors in our relative wealth and our standard of living.

Honourable senators, it is with a heavy heart that I note the relative decline of Canada over the last 30 years in these vital areas of our development. The decline has been slow but constant. You will say that the minister has told us things are fine. Unfortunately, the figures show that we are losing ground among OECD countries. We were nearly at the top of the list 25 years ago; now we are slowly losing our advantage. And among the more advanced countries in this group, the G-7 plus the Benelux and Scandinavian countries, we are somewhere in the middle. We are no longer closer to the top of the list with the United States as we used to be.

And what I give you here as a major conclusion summarizes a set of confirmed statistical trends. This is much more important, honourable senators, than the good news the Minister of Finance announced in February. He may counter that what I say was true until 1993, but that now he is there we are gaining ground. No, honourable senators, while partial and recent data support the minister for 1997 and perhaps the start of 1998, I tell you that the situation is very distressing and that the turn in the right direction is far from assured, if it has even begun.

[English]

For example, the Minister for International Trade has told us that direct foreign investment in Canada doubled between 1986 and 1996. However, while our share of the world's total investment in 1986 was 11 per cent, we are now receiving just 4 per cent. That means that we are less competitive when it comes to a favourable climate for investment. We are now facing strong competitors — China, Southeast Asia, Latin America and Eastern Europe.



The world economic context has changed dramatically, and we must, as a result, look at it through new eyes. Not only are we a country that is relatively less effective to investors, but in the past we were very dependent on three elements to bring us prosperity: immigration of workers with appropriate skills at the time, our immense natural resources, and free technology transfers through affiliates of mostly American corporations, such as in the automobile industry.

[Translation]

Natural resources in today's and tomorrow's knowledge-based economy are relatively less important than they have been. Second, we are not offering comparatively attractive advantages to high tech firms and, finally, we have no guarantee that, in the future, the highly qualified immigrants will choose Canada.

For example, of the twenty top computer schools in North America, the university in Kitchener-Waterloo is the main recruiting centre for Microsoft in Seattle. That is fine for the United States, but is it for Canada?

On the subject of training for our human resources, I will provide statistics later that indicate we are having serious problems with school system productivity.

In the 1990s, we experienced a relative increase in the cost of manpower arising from the relative decrease in productivity compared with that of our neighbours to the south. Had we had their production rate, each individual would have been richer by \$7,000. This explains why our average personal income is 30 per cent lower than in the United States, that is, \$28,000 compared with \$36,000 in 1997.

In addition, the work force participation rate, which has risen two percentage points per decade in the United States since the 1960s, has not done the same in Canada. Taking into consideration our unemployment rate as well, which is twice theirs, provides at least a partial explanation of our relatively poor industrial productivity, which is three-quarters that of the Americans. Personal income has declined in Canada, as has per capita productivity. This is reflected in the gradual drop in value of our dollar since the 1970s, and if our international trade has increased, this has been the result of our manufacturers being indirectly subsidized by the weaker dollar. There is no cause for celebration here. The Free Trade Agreement was intended to stir up manufacturers' competitive nature, but there has not been much in the way of concrete results in certain sectors. The reason is the relatively low level of investment in equipment, in part due to tax hikes, but also to the fact that equipment costs are higher because of our devalued dollar and the fact that it has to be imported from the United States.

[English]

During the same period, many regulatory constraints were added, such as, for example, positive discrimination in favour of interest groups such as unions. As well, income taxes and payroll

taxation have increased significantly compared to the United States. Again this year, with pension plan premiums, we are imposing a heavy burden on young people for the benefit of senior citizens whose quality of life in the past 20 years has improved more than that of any other group.

[Translation]

I have just made a reference to taxes. The Americans, for example, have a capital gains tax of 20 per cent, and ours is 40 per cent. Where, then, do you think entrepreneurs are interested in investing?

The government is well aware that today's trend toward globalization has lessened its fiscal and monetary manoeuvrability. Nevertheless, it continues to maintain its unfavourable context compared to our neighbours and biggest competitors. Either we adapt to the conditions of globalization with ingenuity and innovation, or we continue to pay a higher and higher price, in the form of a depreciated dollar and a drop in international ranking. Closing the gaps between us and the Americans in the areas of taxation, productivity, unemployment and innovation is a must. It is a move we have no choice but to make. Page 83 of the minister's October 1998 update offers a revealing table on this.

In connection with each sector of economic policy, he indicates the approaches to take and the results achieved. As you will see, the ratings are pretty modest with the exception of elimination of the deficit and the lower interest rate, which is mostly tied to the American economy, particularly where the tax structure, labour market flexibility and labour market participation rate are concerned.

With regard to deregulation, the minister mentioned privatization in the transport sector, but he forgot to mention that these are initiatives from the previous government.

If we want to increase manpower productivity, we must not only look at the quality of work but also at the volume. On average, Americans work 200 hours more than we do in a year. This is not insignificant, it amounts to 10 per cent of the work time. In Canada, instead of increasing the labour force participation rate, we encourage people to take an early retirement. This is shocking! Doctors and nurses are retiring at 55 or 60, while people have to wait in line to get treatment. We lose the benefit of their expertise and experience. This is also true in the case of teachers, at the secondary, college and even university levels. Encouraging people to leave, as the Quebec and Ottawa governments are doing, is a terrible policy.

In its study on Canada, which pleased the minister, the Monetary Fund politely told the Canadian government that it needed to improve its manpower's mobility.

From 1966 to 1996, the State appropriated between 30 per cent and 50 per cent of the GDP in Canada. During that period, the growth of the Canadian economy went from 5 per cent down to 2 per cent. The lesson should be clear to everyone.



In Quebec, more and more people are realizing that nationalism is a costly proposition, in economic terms. One cannot create uncertainty without paying a price. This is also true for Canada. When we set regulatory barriers, we must pay the price in terms of lost investments, researchers and jobs. Someday, our leaders will have to realize that, by wanting to be a big fish in a small pond, politicians are condemning us to a second class future, as Mr. Helfinger pointed out so accurately in the February 15 issue of *MacLean's*. In that same issue, Ms Janigan made an accurate diagnosis of our problems.

[English]

• (1640)

We are therefore facing major challenges, as noted by Mr. Frank of the conference board: an ageing population with all of its implications for higher health care costs; taxes that are the highest in the G-7 and are up to 30 per cent higher than in the United States; a debt service cost which accounts for 30 per cent of the federal budget; unemployment costs that are equivalent to 20 per cent of the same budget; retirement premiums that will cost up to \$1,400 more per person by 2003; and an R&D situation which is less vigorous than that in the United States. On this subject, I wonder if the largely public nature of research here does not result in a kind of dependence by private companies, which are certainly less motivated to do their share by the time they are finished paying all their taxes.

As for innovation, it is necessary to have a climate of emulation, as is seen in the technology parks of Raleigh, of Texas, of Atlanta, of Silicon Valley, and of Seattle, but which does not seem to exist in our government laboratories.

[Translation]

Honourable senators, a mere glance at the rate of growth of the population of North America's metropolitan areas in the past 15 or 20 years shows us that, in Canada's major cities, with the exception of Toronto, this is not the case, while in the United States there is Atlanta, Dallas, Houston, Tampa, Miami, San Diego, Minneapolis, Phoenix, Seattle and so on.

There is not much population growth in smaller Canadian cities, except for Calgary and Edmonton, while our neighbours are witnessing rapid growth in Austin, Bakersfield, Colorado Springs, Fresno, Tucson, Charlotte, Raleigh and more than a dozen other centres. Since, in a market economy, people move to wherever they think they stand the best chance of making a living, we are left to conclude that these opportunities are not to be found in Canada.

We are just starting to realize that our per capita production compared to that of the United States has gone down from 85 per cent in 1989 to 78 per cent in 1998. Our unit labour costs have increased 1 per cent faster than those of the United States during eight of these recent years, with the exception of 1997.

If the value of the Canadian dollar had not gone down by more than 20 per cent, our exports would be dropping, but the costs of buying American equipment to improve our performance have

gone up considerably, which does not augur well for future investments.

The government, honourable senators, therefore has its work cut out for it if it wants to improve the situation. The OECD report on Canada is eloquent in this regard. Taxation must be overhauled. When people lose 50 per cent of their income to taxes, equity is not the word that comes to mind. They are hardly motivated to become more efficient. We also need a more flexible labour market. Incentives must be tied to work, not leisure. Efforts must also be made to strengthen the social fabric rather than sow discord.

Honourable senators, I am not saying things the government wants to hear, but I love this country and I want it back up there with the leaders. For that to happen, this government must get moving, something it has not done with this budget, which was in fact criticized heavily by the business community, which is trying to create jobs and help businesses grow.

The Minister of Finance has therefore, and the government along with him, opted to continue the anaemic economic growth of the past 30 years, by declining the opportunity to use the budget surplus as a solution. He has put off lightening the heaviest tax load anywhere in North America.

The outcome of this is the four great weaknesses in Canada: a slower rise in productivity than other G-7 countries, a far heavier tax burden than our American competitors, an overall debt that is one of the highest in the G-7, and the brain drain involving high numbers of specialists in a variety of disciplines.

These then are my sad observations on our growth lag. A pity. I have only given half of my speech. I wanted to talk about monetary and fiscal policy, taxation and spending policies, ending with administrative policy. I will do so another time. There will be other opportunities to discuss taxation policy as we deal with the other budget implementation legislation.

**The Hon. the Speaker:** Since we are already over the time limit, barring consent of the Senate, we cannot move on to questions. Is leave granted, honourable senators?

**Hon. Senators:** Agreed.

**Hon. Lowell Murray:** What is your explanation for the low level of private investment in research, given the fact that the government incentives for research and development, for instance, are among the most generous in the world?

**Senator Bolduc:** There are a number of reasons, one of the main ones being the structure of the Canadian economy. We have fewer major companies than elsewhere. We are 30 million in number. We do not have a multitude of multinational companies. That is one of the reasons.

The other is that we have a relatively limited industrial structure. In each of the sectors, there are two or three major firms. One of the reasons for this is that in certain sectors, such as chemicals, automotive and oil and gas, technology transfers cost us nothing. This is something we have become accustomed to.

American companies use their technology when they open a subsidiary here. We benefit from technology transfer free of charge. People have become accustomed to this, and take it for granted that this is how it will continue to be. It will not always be that way. That is the second reason.

The corporate tax rate is 4 or 5 per cent higher than in the United States. It is prohibitive. I understand that they have incentives. They are recent, in the last five or ten years. Before noting these effects, people expect that research funding will be invested in government laboratories. I am not sure this is a good arrangement. Several companies think the government will do research and they will benefit later. Therein lies the whole problem of our government laboratories. Scientists' research is based on their interests and not on the specific orders of business. This is one of the major problems. The demand comes from the people working within business and not from outside. This way, if you are competing with outside scientists in other laboratories, they would have to adapt to the demand. Indicators of real demand fall down on technological developments. That is one of the major problems in Canada. None of these laboratories has inside simulation comparable to what you will find in the technology parks such as the one in Atlanta, which I know very well. All the major computer companies are grouped together. All the resources are combined creating a critical mass such that there is real competition — not really the case in Canada.

[English]

• (1650)

**Hon. Jeremiah S. Grafstein:** Honourable senators, first, I wish to commend Senator Bolduc for his excellent speech. He is raising questions that are bedeviling all of us. The question of productivity is a central issue, no one can argue with that, notwithstanding some recent variations on the theme. However, at the heart of the issue is the question of an efficient national economy.

Perhaps Senator Bolduc can speak to the huge barriers to improving our domestic economy, which are interprovincial trade barriers. In two of our largest economies, Ontario and Quebec, we have not completed deregulation.

What does the honourable senator say about that?

[Translation]

**Senator Bolduc:** I will surprise you, honourable senators. I think that, for once, the federal government is not interventionist enough. It should be interventionist vis-à-vis the provinces, and it should bring pressure to bear on them to lower the barriers. But it is not doing that. It is too polite with the provinces. It is probably afraid of criticism from Quebec City, Toronto or elsewhere. The result is that the federal government is not taking enough action.

As you know, being a traditional Quebec nationalist, I tend to support provincial autonomy. I agree with respecting jurisdictions. In this case, the federal government should be more active. With the social union, it tried to have interprovincial trade

barriers lowered, but it was not enough. The government should go further.

I am totally in favour of economic union. We simply have no choice. However, when it comes to social and cultural issues, we can certainly take care of ourselves. It is not easy to accept. I know that, for the rest of Canada, things are different from a cultural point of view. I understand that. I am expressing a deeply rooted attitude in Quebec. Senator Lynch-Staunton has a better grasp of what I am saying because he comes from the same area. He may see this with a more detached attitude, because things are seen differently from Montreal than they are from elsewhere in the province.

On motion of Senator Carstairs, for Senator Graham, debate adjourned.

[English]

## CANADA AND THE NUCLEAR CHALLENGE

### MOTION TO ENDORSE REPORT OF FOREIGN AFFAIRS AND INTERNATIONAL TRADE COMMITTEE—POINT OF ORDER— SPEAKER'S RULING—MOTION WITHDRAWN

On the Order:

Motion by the Honourable Senator Roche, seconded by the Honourable Senator Keon:

That, whereas the proliferation of nuclear weapons poses a real and ongoing threat to global security, and recognizing the strong conclusions of the Standing Committee on Foreign Affairs and International Trade in their study, "Canada and the Nuclear Challenge," the Senate of Canada fully supports the disarmament and non-proliferation objectives of the Report, and urges the Government of Canada to carefully consider its recommendations when preparing its response.—(*Speaker's Ruling*).

**The Hon. the Speaker:** Honourable senators, I am prepared to proceed with the ruling on this matter.

Honourable senators, on Thursday, March 11, as Senator Roche was about to speak on his motion, Senator Kinsella rose on a point of order to question the procedural acceptability of a motion that endorses a report of the House of Commons of which the Senate has no direct knowledge.

The motion of Senator Roche seeks that the Senate support the disarmament and non-proliferation objectives of the report of the House of Commons Standing Committee on Foreign Affairs and International Trade respecting nuclear policy.

[Translation]

In making his case, Senator Kinsella asked whether it was proper given the independence and autonomy of the two Houses for the Senate to debate a report from the other place that has not been formally communicated to it. At the same time, the senator

made it clear that he was not challenging the right of Senator Roche to present a motion supporting disarmament.

[English]

Several honourable senators participated in the discussion to suggest that the motion of Senator Roche could be amended to avoid this apparent procedural obstacle. More than once Senator Roche indicated that he was prepared to make whatever changes might be necessary so that his motion would be procedurally acceptable. Indeed, following the suggestion of Senator Stewart, Senator Roche proposed a revised version of his motion that eliminated any direct reference to the House of Commons report.

[Translation]

At this stage, I asked Senator Kinsella if he might be prepared to withdraw his point of order. Though the senator explained that he did not want to impede the work of the Senate, he felt a need to proceed with the point of order. Senator Kinsella went on to state his conviction that the rules are the best defence of the minority and this case was sufficiently important to merit a formal decision from the Chair.

Let me begin by thanking all the senators who joined in the discussion on this point of order. As always, I find it helpful in highlighting this issue.

[English]

The practice of avoiding any reference to the proceedings of the other place in debate is an old and well-established restraint, going back many years. Indeed, almost 25 years ago, this prohibition was formally incorporated into the *Rules of the Senate of Canada*.

Rule 46 stipulates that:

The content of a speech made in the House of Commons in the current session may be summarized, but it is out of order to quote from such a speech unless it be a speech of a Minister of the Crown in relation to government policy.

Though it was not explicitly acknowledged at the time, it appears that the language of the rule was based on the relevant text of the British parliamentary authority Erskine May and has been part of that venerable book through many editions.

[Translation]

In this connection, the Senate may be interested in knowing that the present Select Committee on Modernisation in the British House of Commons has recommended that this long-standing prohibition be abandoned. In its fourth report presented in March of last year, the committee noted that:

...the rule is often difficult for the chair to enforce, since it is not always easy immediately to be certain that the Member is quoting rather than summarising, that the Peer in question

is not a member of the Government, and that the debate quoted from took place in the current session. By the time the facts have been established, it is generally too late.

Accordingly, the Modernisation Committee recommended, and I quote:

...that the rule banning direct quotation from speeches made in the House of Lords in the current session should be abolished.

Reviewing the debate on our Senate rule in 1975, similar problems were acknowledged at the time by Senator Argue and Senator Flynn even though the rule was subsequently adopted by the Senate. Perhaps this is a matter which the Committee on Privileges, Standing Rules and Orders might want to consider at some point.

[English]

This practice of forbidding the use of direct citations from the debates of the House of Commons, euphemistically identified as "the other place," was originally intended to prevent, according to Erskine May, fruitless arguments between members of two distinct bodies who are unable to reply to each other and to guard against recrimination and offensive language in the absence of the other party. However, Erskine May and the Canadian parliamentary authority, Bourinot, have always recognized some exceptions to this rule of debate.

All four editions of Bourinot's *Parliamentary Procedure and Practice in the Dominion of Canada*, dating from 1894 to 1916, note the exception in the same language:

It is perfectly regular, however, to refer to the official printed records of the other branch of the legislature, even though the document may not have been formally asked for and communicated to the house.

For many years, Erskine May has been explicit in noting that these official records include not just the journals of either house but also committee reports. Even though reports from the other house may not have been communicated to the chamber, practice has allowed for references to be made to them in the course of debate.

As far as I see it, that which can be debated can legitimately be the object of a motion. Once it is part of the motion, it is up to the Senate to adopt, amend or reject. That is the core of the process of debate.

• (1700)

I rule, therefore, that the motion of Senator Roche can proceed.

**Hon. Douglas Roche:** I wish first to thank His Honour for the trouble he has taken to give his ruling. I also wish to thank all honourable senators who participated in the interesting debate the other afternoon.



I have found, honourable senators, that when one enters the Senate there is a certain learning curve to go through. I have learned that in bringing to the attention of the Senate a particular matter it is probably better not to connect that matter to what was discussed in the other place because it can get us into some procedural difficulties. I do not wish to debate what was said in the other place. That is not my concern here.

I served in the other place. I left it willingly and said goodbye to it. What I am concerned about is the principle that I brought forward.

Thus, with your consent, honourable senators, I shall attempt to do that in another manner. Hence, I ask leave of the house to withdraw Motion No. 121 standing in my name.

**Hon. Fernand Robichaud (The Hon. the Acting Speaker):** Honourable senators, is leave granted?

**Hon. Senators:** Agreed.

Motion withdrawn.

## OFFICIAL LANGUAGES ACT

### PROGRESSIVE DETERIORATION OF FRENCH SERVICES AVAILABLE TO FRANCOPHONES OUTSIDE OF QUEBEC— INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Simard calling the attention of the Senate to the current situation with regard to the application of the Official Languages Act, its progressive deterioration, the abdication of responsibility by a succession of governments over the past ten years and the loss of access to services in French for francophones outside Quebec.—(*Honourable Senator Corbin*)

**Hon. Eymard G. Corbin:** Honourable senators, I rise today to speak about the invaluable contribution of French immersion programs in Canada and of the hope and opportunities they offer to growing generations of Canadians to better understand, communicate and work with each other.

[*Translation*]

Honourable senators, I will speak to you in English deliberately today. I have no problem with that, since I learned both languages at an early age, without the benefit of any official languages program. In Grand-Sault, New Brunswick, where I was born and where I went to elementary school, almost everyone could communicate in both official languages, or at least make themselves understood.

[*English*]

Honourable senators, let me begin by citing John Sparrow Thompson, a respected Canadian politician and judge at the turn of the century. With regard to his own children, this great Canadian recognized the necessity of learning French. In keeping with this conviction, Thompson sent his two eldest daughters Mary Aloysia and Mary Helena — and I am quoting from the *Dictionary of Canadian Biography*:

— to the academy for young ladies run by the Religious of the Sacred Heart at Sault-Au-Récollet (Montreal North), so that they would learn French properly, something he had set himself to work on after he came to Ottawa. He thought it churlish not to be able to acquit oneself in French.

Some things change; some things do not. "Churlish" is an extremely strong word; I did not write it. However, the French version, in the *Dictionnaire biographique du Canada*, is, in my opinion, more in keeping with my personal leanings in the use of "churlish," where it is translated "savoir vivre."

[*Translation*]

Savoir vivre ensemble, together, will always be the great challenge for Canadians.

Before going any further, I want to thank Senator Simard for having drawn the attention of the Senate to the current situation with regard to the application of the Official Languages Act. We have not always seen eye to eye on this issue, with regard to certain programs, objectives or details, although, generally speaking, we share the same views. I fully realize that he is also concerned about the survival and development of francophone communities in Canada. The idea is to make sure our fellow citizens who share with us the French-Canadian language and culture can live, study, work and express themselves in their mother tongue. We agree on that.

However, I feel it is equally important to also look at the other side of the equation, in the context of national bilingualism. This is what I will discuss today.

[*English*]

Since the 1970 entrenchment of the Official Languages Act, Canadians have been compelled to appreciate and to react to the bilingual reality of Canada. The commitment to accommodate both English and French equally has enriched the social fabric while strengthening the seemingly never-ending mission of national unity.

French immersion programs contribute to fulfilling our national obligation as stated in section 23 of the Canadian Charter, to make education in French more accessible. It must be realized that there is much more behind French immersion programs than the pedagogical methodology specific to the curriculum. Rather, the importance of French immersion programs transcends the classrooms by enhancing the importance of linguistic equality.

French immersion programs are one important step to achieving the *sine qua non* conditions of the spirit of solid national unity. The commitment to and real support for French immersion programs by thousands upon thousands of English-speaking Canadians attests to the sustained volition of Canadians toward this national goal. That is something so-called Quebec nationalists and, indeed, Quebec separatists, regrettably, will not recognize.

Throughout the 1970s, with statutory funding by the federal government, the so-called — and I say “so-called” negatively as used by separatist elements — English-speaking provinces began to establish French immersion programs in elementary and secondary schools. By incorporating French with the existing curriculum, students were provided a viable and long overdue apprenticeship in both official languages of Canada. However, despite the initial enthusiastic funding by the federal government, recent contributions have decreased relative to past years for many of the major programs, including the Official Languages in Education Program, the Summer Language Bursary Program and the Official Language Monitor Program.

Generally, these programs are highly effective because they allow students to speak French outside the classroom, to plunge into a workplace setting, into the real world and thereby experience first-hand the advantages and importance of instruction in the French language. These programs are sponsored in part by the Council of Ministers of Education, Canada, who recognize and are preoccupied with ensuring that Canadian youth receive the best possible preparation for the dynamic world of work.

In a 1997 *Vancouver Sun* article, the former president of Canadian Parents for French Immersion, Kate Merry, rightly observed that the federal government had reduced its funding by almost 40 per cent in classrooms where French immersion is taught. The fact, plainly put, overall federal assistance to the provinces in the cadre of the Official Languages Program has slipped to \$169 million from the high 1993-94 level of \$245 million. The economic context may possibly have temporarily justified the reduction. However, I believe that these funds must come back to at least former levels.

The design of the actual French immersion programs is developed by the individual provinces. They generally consist of rendering available 50 per cent of the regular curriculum in French as the language of instruction.

There are many levels and variations of the French immersion programs across Canada, depending upon the availability of teachers, pedagogical resources and the wishes of parents.

• (1710)

A few weeks ago on the local CBC radio station, I heard an English-speaking parent of the Ottawa area deploring the

closures of French immersion classes and expressing the strong desire for their continuance.

In addition to French immersion programs, most elementary and secondary schools also offer core French programs that teach basic French. Students who are not enrolled in French immersion must take French because it is mandatory. However, the extent of their exposure is limited to the French class. Students graduating from a French curriculum can only expect to learn very basic or elementary French.

Due to the unique nature of the curriculum, French immersion programs require a specialized teaching staff, the basic requirement being four years of undergraduate study followed by one or more years of teachers' college. The teaching profession has profited greatly by obtaining relatively recent access to the Internet, which has become an invaluable pedagogical resource for the benefit of both teachers and their pupils. However, yesterday, again on the radio, we heard a national news item concerning the lack of competent, professional, French-language teachers at English universities. That is a regrettable situation and illustrates vividly the need for amelioration of all facets of programing and funding. It is also a sure indication of a demonstrated interest on the part of the institutions themselves.

Consistent with the aspirations of teachers to become competent professionals, as is required by the curriculum, the Canadian Association of French Immersion Teachers has been established to actively guide the focus of teachers' efforts. The national president of the immersion teachers' association, Marie Christine Halliday, was quoted last year, I believe it was, in a *Vancouver Sun* story as saying that she believes that French immersion programs are entrenched enough that they are here to stay.

An important factor in ensuring that the skills acquired by students in French immersion programs are supported and maintained is the availability of high-quality French language media. It is also very important to provide widespread broadcasting of French TV and radio throughout the country. To limit basic programming to French-minority communities in provinces where English is the language of the majority is to significantly reduce extracurricular learning and information opportunities.

In my opinion, our national broadcaster, the CBC and Radio-Canada, have miserably failed in this respect. I hope, now that the time for renewal of their licence has come up, that Canadians will speak for a broadening of the mission of the CBC and Radio-Canada with the objective to enlarge its coverage and to try to bind together the two main linguistic communities in Canada.

In recognition of the invaluable importance of an education in the French language, the federal government recently contributed \$1.1 million to work-related experience for the improvement of French-language skills. It is a pittance, but at least a show of support.

The federal student work experience program allows English students the opportunity to work in French-speaking areas across Canada. Students are thereby able to improve their grasp of the French language. They are picked from a national inventory of university students and, depending on their academic background, their skills and their career aspirations, they are placed to work in an appropriate government department. However, the level of assistance is not sufficient to create a lasting impact. More ought to be done. Such programs allow students to be exposed to the social reality outside the classroom and to see first-hand the advantage that the knowledge of French affords. Of course, such linguistic skills are also invaluable in the international field, and open new vistas and career opportunities for our Canadian youth.

I would now like to give an indication of the number of Canadian children enrolled in French immersion programs. Unfortunately, I could not access the most recent figures, but the ones I will now give at least serve the purpose of giving some perspective. From the 1970s, when French immersion programs were first created, to the mid-1980s, participation rates were high. Currently, in total, 317,000 students are enrolled in French immersion programs across Canada. Participation rates tend to remain stable regardless of region or province. The number of schools offering immersion programs in 1977-78 was 237. They were 2,110 in 1996-97 and in the 1997 school year, there were 2,141. That is not to say that the numbers have peaked, although they may have reached a plateau. There is also, obviously, room for additional expansion.

This high number of continuing enrolment in French immersion programs indicates that they are indeed popular, that they fill a need and are generally supported all across Canada. For example, in 1998, in British Columbia, 30,000 students were enrolled in French immersion programs in 238 offering schools. In Ontario alone, 158,000 students in 1,084 schools were enrolled in French immersion programs. That is more than the total French and English student population of my own province of New Brunswick.

[Translation]

**The Hon. the Speaker:** Honourable Senator Corbin, I regret to interrupt you, however, the 15-minute period speaking period has expired. Will you seek leave to continue your speech?

**Senator Corbin:** Yes.

**The Hon. the Speaker:** Is leave granted?

**Hon. Senators:** Agreed.

[English]

**Senator Corbin:** Thank you, honourable senators.

These figures which I have just quoted are, in my opinion, truly impressive. The motivation behind the high enrolment can be linked to a number of factors, including especially parental

encouragement and the recognition of expanded employment opportunity. The actual results of French immersion programs in helping individuals become bilingual are very positive and inspire hope and optimism. It is undeniable, though, that the children of so-called anglicized French-Canadian parents are now, through these programs, given every opportunity to reconnect with their linguistic and cultural roots and that is very good.

The sustained interest in French immersion illustrates the success of these programs in fulfilling their intended objectives. Attitudes toward French immersion have been resoundingly favourable. The support of parents, despite the fact that many of them are unilingual anglophone or recently arrived immigrants with little or no skills in either French or English, in encouraging their children to pursue French immersion shows that they truly recognize the importance and advantages for their children to acquire these skills.

Honourable senators, in view of your patience, I will abbreviate my intended remarks today and conclude by saying that French immersion programs have the potential to gradually erode attitudes that have historically, and out of unfounded fear, resisted linguistic equality, and to systematically eradicate the alienation that is characteristic of the inequality which poses a barrier to our collective progress. Let us celebrate the rewards that French immersion programs have yielded and use the open-mindedness and equality that they create to remind ourselves that national unity can yet be achieved through mutual understanding and cooperation and by talking to each other. Language is life itself.

[Translation]

I would like, in closing, to thank Aneel Rangi, a former Senate page, who now works in my office as a researcher. She helped me put this speech together and did all the basic research.

On motion of Senator Kinsella, debate adjourned.

[English]

## DEVELOPING COUNTRIES

### STATUS OF EDUCATION AND HEALTH IN YOUNG GIRLS AND WOMEN—INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Losier-Cool, calling the attention of the Senate to population, education and health, particularly for young girls and women in many developing countries.—  
(Honourable Senator Wilson)

**Hon. Lois M. Wilson:** Honourable senators, I wish to add my comments to those of Senator Losier-Cool, Senator Pénin and others with respect to the study on population, education and health of young girls and women in many developing countries.



Margaret Atwood has said:

The facts of this world seen clearly are seen through tears. Why tell me, then, there is something wrong with my eyes?

To speak of population, health, education and development of young women and girls as we approach the year 2000 is indeed to see the world through tears. Many a woman or girl in the developing world spends her day hauling water, foraging for food, grinding grain, babysitting for younger children, or tending goats in the field. She is likely to be married by the time she reaches 15 and not have much control over the number of pregnancies she will have. It is well documented that two out of three illiterates worldwide are women or girls, and the percentage is much higher if one considers literacy as going far beyond reading and writing skills. Full literacy means literacy appropriate to the needs of a planetary society and includes knowledge of primary health care, including one's own reproductive choices, the necessity of clean water, sound nutrition, and the reduction of the rate of growth of world population.

Let me say a word about the concept of development. In past decades, development was understood as having to do primarily with the GNP of a given country. Gradually, that notion has been broadened and widened so that development is now spoken of as the wholeness, health and well-being of a given population in all dimensions of its life. One of the benchmarks of development is the extent to which women are free to participate in decisions affecting their own lives and future.

Development, then, impinges on a number of related areas, including health, women's equality, human rights, foreign aid, immigration and refugees, and sustainable development. Yet, according to a March 1999 background paper entitled "Review of the International Cairo Conference on Population and Development," Canada has no comprehensive population and development policy that addresses all these issues as an integrated whole.

Let me say a word about population and health. With every second that passes, five people are born and two die, resulting in a net increase of three people. At this rate, the earth's population will double every 40 years. Burgeoning populations in developing countries and over-consumption by the developed northern countries have placed enormous strains on natural resources. As we approach the year 2000, we are acutely aware that population worldwide will escalate and that there will be an acute shortage of land, water, food and energy. We live and die together.

Some of the most divisive subjects are family planning, women's reproductive rights, and health. At the 1994 Cairo International Conference on Population and Development, a major shift in the approach to controlling the world's population took place. Instead of setting targets for population reduction, the strategy focused on human rights, as agreed to in the 1980 UN Convention to End Discrimination Against Women: reproductive health, the empowerment of women, and sustainable

development. One of the main themes at Cairo was that the measurement of the well-being of a given country is the situation of the girl child.

One of the goals outlined in that conference was to make family planning universally available by the year 2015. A report from that conference, which I heard in Toronto, indicated that, for the first time, women from the Roman Catholic and Islamic faith communities publicly challenged the reproductive and sexual rights policies laid down by their religious male leaders.

I have mentioned the connection between development, population growth, and economics. On one trip to India, I was taken on a field trip by the woman in charge of family planning for India. At that time, women who were willing to have an IUD inserted to prevent more children were given an incentive of five rupees per visit to a doctor. It cost one rupee to have it removed. One very poor woman told me that she would visit a doctor, have the IUD inserted, collect her five rupees, and then later return to have it removed and pay the one rupee fee. At the end of the day, she might well have 25 rupees and with that be able to feed her family. Who could criticize her? Food was her overriding concern. If children are not available to fetch the water and forage for food, who would do it?

My question is: What strategies are being put in place around the intertwined issues of runaway population growth, economics, and health? In particular, what role does Canada see itself playing?

One main goal put in place at the conference in Cairo was to provide education, especially for girls, and to estimate the levels of international assistance required for making adequate resources available to that end.

What about education? Is it the panacea it pretends to be? It appears that education of the girl child is having three results: It can be an effective way to fight poverty; it can reduce population growth, because even minimally educated mothers are able to understand family planning; and educated mothers are more likely to keep themselves healthy during pregnancy, reducing infant and maternal deaths, and likely to raise better nourished and better educated children, both girls and boys. The educated woman is the best contraceptive, said a senior law enforcement official in Bombay who spent years contemplating one of his country's largest problems.

The campaign to educate the girl child, even in formal, traditional ways, launched in several poor countries in the 1980s, has expanded and started to produce results. Between 1985 and 1995, the global gender gap in school enrolment narrowed. Yet it is not only the extension of formal education that gains must be made by women and girls. Margaret Mead spoke of literacy for all of us in these terms:

It is the need to bring up children in communities that reproduce the whole, and teach children and women to think in terms of the whole.

We cripple people if we condemn them to live in a town where there are no old people; no children; no persons with disabilities; no people with a different skin colour; no one who speaks language different from the majority, where everyone is rich, or everyone is poor. This kind of literacy is a spiritual requirement of the highest order in our world.

Karen Austin, an intern with Human Rights Internet based here in Ottawa, writes of the popular education network in El Salvador that is forging new patterns of informal education. Within the framework of the UN Convention on the Rights of the Child, a group of rural communities has created a grassroots popular education system that offers free, accessible, and relevant education to all children. In the 1970s, the literacy rate in rural El Salvador was low. It was estimated that only 10 per cent to 20 per cent of rural adults could read or write. In the refugee camps, literacy circles were started. Those who had a year or two of education shared their knowledge with the rest. Gradually, the literacy rate in those communities grew to 70 per cent.

The Leader of the Government in the Senate referred earlier to Canada as being the greatest country in the world, according to the UN Human Development Index. However, when the situation of Canadian women is factored in, we fall to number seven, so we are not as great as we would imagine. Another of Canada's failures has been its failure to meet its international commitments with respect to our overseas development aid targets of 0.7 per cent of our GNP. The recent budget was able to at least stabilize the overseas development aid budget, but it remains at 0.3 per cent, the lowest in all of our history, with no hope of rising until the year 2000. Under our international aid policy, Canada commits 25 per cent of ODA to basic human needs, of which family planning and basic education are key components, but there has been absolutely no public outcry over this deplorable state of events. Moreover, Canada lacks a policy framework for sexual and reproductive health.

• (1730)

I shall finish by telling you the story of a cowboy on the range who spied a herd of buffalo. He told his companion that he had never seen such a herd. From his point of view they were mangy, they had bloodshot eyes, their fur was matted and they were very skinny. He took one last look at them, expressed his distaste and rode away in disgust. One buffalo was heard to say to another,

"We have just heard on our home on the range what seldom is heard, a discouraging word."

We hear many discouraging words about women and girls, about population, health and development. We hear them; however, many do not swallow them or digest them. We look to transform the situation. There is a great need to raise public awareness of these issues and of Canada's obligations. Without a solid base of public support for movement on population, health and development for women and girls in developing countries, not much is likely to happen. Parliamentarians have a critical role to play in ensuring that population and development issues are brought to the forefront of public attention.

I invite you to do so.

On motion of Senator Carstairs, for Senator Callbeck, debate adjourned.

## ENERGY, THE ENVIRONMENT AND NATURAL RESOURCES

### COMMITTEE AUTHORIZED TO EXTEND DATE OF FINAL REPORT

**Hon. Nicholas W. Taylor**, pursuant to notice of March 11, 1999, moved:

That notwithstanding the Order of the Senate adopted on October 23, 1997, the Standing Senate Committee on Energy, the Environment and Natural Resources, in accordance with rule 86(1)(p), which was authorized to examine such issues as may arise from time to time relating to energy, the environment and natural resources generally, in Canada, be empowered to present its final report no later than March 31, 2000.

**The Hon. the Speaker:** Is it your pleasure, honourable senators, to adopt the motion?

**Hon. Senators:** Agreed.

Motion agreed to.

The Senate adjourned until Wednesday, March 17, 1999, at 1:30 p.m.

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CANADA

# Debates of the Senate

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• 36th PARLIAMENT

• VOLUME 137

• NUMBER 121

OFFICIAL REPORT  
(HANSARD)

Wednesday, March 17, 1999

THE HONOURABLE GILDAS L. MOLGAT  
SPEAKER



## CONTENTS

(Daily index of proceedings appears at back of this issue.)

## OFFICIAL REPORT

### CORRECTION

**Hon. Eymard G. Corbin:** Honourable senators, I wish to make a correction to the French version of yesterday's *Debates of the Senate*, which is a translation of a speech I gave in English.

I refer to page 2810, left column, second paragraph, which reads as follows:

À l'heure actuelle, 317 000 étudiants au total sont engagés dans des programmes d'immersion en français partout au Canada. Les taux de participation ont tendance à demeurer stables, peu importe la région ou la province. Le nombre d'écoles qui offraient des programmes d'immersion...

What was printed was "en 1997-1998," but it should read "1977-1978." The passage continues:

[...]se chiffrait à 237. Il y avait 2 110 étudiants [...]

What was printed was "étudiants" when it should have been "écoles." What should appear is "2 110 écoles en 1996-1997 et 2 141 écoles pendant l'année scolaire 1997-1998."

I am a bit disappointed in the French version of the speech I gave in English yesterday. This is apparently an ongoing situation in the Senate.

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## THE SENATE

Wednesday, March 17, 1999

The Senate met at 1:30 p.m., the Speaker in the Chair.

Prayers.

### SENATORS' STATEMENTS

#### FOREIGN AFFAIRS

##### CRISIS IN HORN OF AFRICA

**Hon. Lorna Milne:** Honourable senators, I rise today to bring to your attention the ongoing crisis in Eritrea. I got a good dose of salts this morning in the form of a comment from my cab driver. He told me how lucky he is to be living in Canada as the battle in his former homeland in the Horn of Africa has left thousands — perhaps tens of thousands — dead or wounded. The warring countries, Eritrea and Ethiopia, have been fighting — despite an accepted peace plan — for 10 months over a boundary that was not clearly defined when Eritrea gained its independence from Ethiopia in 1993.

The peace plan hammered out by the Organization of African Unity calls for both countries to demilitarize the area to allow for independent observers and technical experts to move in and decide the boundary — Canada's expertise. Ethiopia says that Eritrea must leave the area first as they triggered the crisis last May, while Eritrea claims the peace plan requires a reciprocal demilitarization. Reports coming from a meeting this Monday between Secretary General Kofi Annan and the United Nations Security Council state that Annan has requested that the Organization of African Unity clarify the peace plan to eliminate those varying interpretations.

We hear and read a lot about Kosovo these days and the atrocities that are being committed there — and, rightly so — but we must not forget the Horn of Africa, where thousands are dying daily. I was told 40,000 people have died there in the last two weeks.

This is a human tragedy on a scale that is almost impossible to imagine. I implore our government to try to bring some safety and stability to that unfortunate area.

[Translation]

### THE LATE GRATIEN GÉLINAS

#### TRIBUTE

**Hon. Gérald-A. Beaudoin:** Honourable senators, I would like to pay tribute to a very talented playwright, Gratién Gélina, who passed away at the age of 89.

More than just one or two, but many generations of playwrights, actors and artists are in debt to this most gifted and vibrant individual. He was a pioneer.

Our debt to him includes *Les Fridolinades*, *Tit-Coq*, *Bousille et les Justes* and many more plays that will long remain a part of us. He also established his reputation in films, such as the *La Dame aux camélias* and left his mark in the theatre, including at the Stratford Festival, the Edinburgh Festival, the Théâtre du Rideau Vert, at La Comédie-Canadienne and elsewhere. He acted in plays and in English in Canada and abroad. He published a number of plays. His reputation had long extended beyond Canada's borders.

He tried his hand at many things over the course of his long life and was crowned with great success.

I listened yesterday to Radio-Canada's tribute to him. Many artists who had known him paid enthusiastic and well-deserved tribute.

Gratién Gélina was a member of the Royal Society, a Companion of the Order of Canada and a member of the Ordre national du Québec. He was given many honours by the artistic world, which rightly paid tribute often.

We have lost a remarkable artist.

[English]

• (1340)

### ST. PATRICK'S DAY

#### REMINISCENCE OF THE IRISH IN CANADA

**Hon. Eugene Whelan:** Honourable senators, I rise today to pay tribute to the Irish, no matter where they may be, and they are in every corner of the world. Some of your ancestors made it safe for us Irish to come here. I wish to pay proper tribute to the Irish for the contribution they have made, and to go over a little bit of history.

If you have read the papers in the last several days, you will have knowledge of some of the worst tragedies imaginable, including the bombing of a car with a young woman lawyer inside, a terrible tragedy. It is hard to imagine that this kind of thing takes place in our society today when we are supposed to be so civilized.



My grandfather Whelan came from Ireland to New York in 1846, and then he arrived at the town of Amherstburg in 1851, which is probably as far south as one could go in Canada and still be a Canadian. At that time, Amherstburg was called Fort Malden, and had over 1,000 soldiers when the city of Detroit was only a small village. My grandfather and my great-grandfather Kelly came to the area in 1833.

Looking further back in history, we see that there were terrible tragedies, such as invasions and wars, and we see what happened in 1848. As far as I am concerned, Queen Victoria, by her actions, was an abolitionist. Honourable senators may well wonder what I am talking about. During the troubles in Ireland in 1848, the following nine men were captured, tried and convicted of treason against Her Majesty the Queen. Sentenced to death were: John Mitchell, Morris Lyene, Pat Donahue, Thomas D'Arcy McGee, Charles Duffy, Thomas Meagher, Richard O'Gorman, Terrence McManus, and Michael Ireland. Before passing sentence, the judge asked if there was anything that anyone wished to say. Meagher, speaking for all, said:

My lord, this is our first offence, but not our last. If you will be easy with us this once, we promise on our word, as gentlemen, to try to do better the next time. The next time — sure we won't be fools to get caught.

Thereupon the indignant judge sentenced them all to be hanged by the neck until dead, then drawn and quartered. Passionate protests from around the world forced Queen Victoria to commute the sentences to transportation for life, to as far away as wild Australia.

In 1874, Queen Victoria asked what had happened to those young men. She was told that the Sir Charles Duffy who had been elected Prime Minister of Australia was the same Charles Duffy who had been transported 25 years before. On the Queen's demand, the records of the rest of the transported men were revealed, and this is what was uncovered: Thomas Francis Meagher became Governor of Montana; Morris Lyene became Attorney General of Australia, in which office Michael Ireland succeeded him; Thomas D'Arcy McGee became a member of the Parliament of Canada, Minister of Agriculture and President of the Council of the Dominion of Canada. You see, even great Irishmen contributed to agriculture at that time. I think Senator Kelleher would even agree to that.

Richard O'Gorman became Governor General of Newfoundland; John Mitchell was a prominent New York politician and the father of John Mitchell, mayor of New York at the outbreak of World War II. Terrence McManus and Patrick Donahue were both brigadiers-general in the U.S. army.

If I may have the concurrence of the house, I should like to read a little bit of Irish lore: All you need to know about life, you can learn from a leprechaun. Life is too short for long faces. When you are happy, sing. When you are sad, sing louder. Expect magic to happen, and it will. If you cannot find a rainbow, paint your own. The word "impossible" is not an Irish

word. Never walk so tall that you cannot see the wee people. If you are feeling blue, wear lots of green and think hopeful thoughts. No one ever outgrows the need for warm hugs, special dreams, or a wee bit of mischief. Quit trying to catch a leprechaun and just be one.

I am happy-go-lucky, and a Saint Patrick's Irishman. I forgive what I was going to say.

**Senator Lynch-Staunton:** That sounds Irish.

**Senator Whelan:** I wanted to mention, honourable senators, why I wear this chapeau vert. The chapeau vert was given to me in Swan River, Manitoba, in 1974, by the directors of a fair. I asked what it stood for. They told me that green stands for love, hope, charity, fertility, growth, all good things in life. I added "Irish and money."

[Translation]

## THE LATE CAMILLE LAURIN

### TRIBUTE

**Hon. Marcel Prud'homme:** Honourable senators, yesterday I attended the funeral of the late Camille Laurin, a former minister in the Government of Quebec. As I told the press after the service, it was Bill 101, which Mr. Laurin introduced, that enabled us in Quebec to maintain linguistic peace. Only history will prove whether I am right. In the coming years, when people look back, they will see that Quebec had to go through very hard times in connection with the language question.

I have always maintained that the English-language minority — and I always referred to my colleagues Warren Allmand and Ian Watson in this regard — had rights in Quebec. My opinion today is still unchanged. Quebec society changed rapidly, and this bill is what allowed Quebec to have one common language. If everything in Quebec must be done in French, that does not mean that French ought to be to Quebec what English is to British Columbia, to Alberta, to Manitoba and to Saskatchewan and I could name all the other provinces. It seemed reasonable to me to believe that the common language of Quebec was French. I added that this did not mean there was only French.

I felt it was my duty as a senator from Quebec in Ottawa to ensure that there was Senate representation at the funeral.

Today, I see in the press that I was mentioned. It was said that I was a Liberal senator in attendance at the funeral. I do not want to worry anyone, but I am still an independent, at least for the moment. If the press starts considering me a Liberal, however, I will have to rethink this.

Tomorrow, I shall be speaking of another whom we lost at just about the same time, who also leaves Quebec the poorer for his passing, Gratien Gélinas.

[English]

• (1350)

## NUCLEAR WEAPONS AND YEAR 2000 PROBLEMS

**Hon. Vivienne Poy:** Honourable senators, there are 35,000 nuclear weapons in the world today. Combined, these weapons have a destructive power 650,000 times as great as the bomb that destroyed Hiroshima. Like most computer systems, the systems that control nuclear weapons are not immune to Y2K problems.

One of the biggest fears is that the "millennium bug" could cause an accidental launch of a ballistic missile. Other fears centre around the possibility that terrorists could exploit Y2K if the security systems of nuclear arms become unstable.

It is widely acknowledged that Y2K computer problems could bring down the radar and telecommunications networks that are used to detect foreign launches. The computer bugs could set off nuclear system test patterns that are difficult to halt. Once these test patterns are initiated, the computers which control them cannot easily be accessed. At that point, erroneous information could lead to an extremely dangerous situation. A false signal could set off a retaliatory nuclear missile launch.

The U.S. Department of Defence has spent about \$2 billion U.S. addressing Y2K problems in their computer systems, but officials concede that it is impossible to know whether they have found all the glitches. The scale of the task is enormous. In the U.S. alone, it involves debugging about 25 million lines of computer code.

Russia's situation is more difficult to assess. A Russian defence official recently noted that 74 control centres of Russia's strategic nuclear forces were judged last August to be in critical condition because they were not ready for the year 2000. In the midst of an economic crisis, Russia has earmarked only \$6 million to fix Y2K problems in its nuclear defences.

There is one sure way to guard against potential nuclear disaster. All nations with nuclear weapons could disable their warhead delivery systems during the transition to the year 2000.

Last December, the House of Commons Committee on Foreign Affairs and International Trade completed a two-year review of Canada's nuclear weapons policies. The committee recommended that the Government of Canada endorse the concept of de-alerting all nuclear weapons. It specifically highlighted the need to take precautions to ensure nuclear stability as we reach the new millennium. These recommendations are consistent with public opinion.

Canadians overwhelmingly support this government assuming an international leadership role in banning nuclear weapons. Canada has a strong position as a peace-loving nation. Next month's NATO meeting in Washington will be an opportunity for

Canada to take a leading role, working together with non-nuclear states, to convince nuclear powers to take their weapons off alert status in the transition to the year 2000.

Nothing short of a Canada-led multilateral approach will be effective in convincing nuclear powers to take this precaution. The spectre of a Y2K-provoked nuclear disaster makes immediate action imperative.

## VISITORS IN THE GALLERY

**The Hon. the Speaker:** Honourable senators, I would draw your attention to the presence in our gallery of a distinguished visitor, His Excellency, Mr. Ping Mei, the Ambassador of China to Canada, accompanied by his assistant Mr. Yao.

On behalf of all honourable senators, I wish you welcome to the Senate of Canada.

## ROUTINE PROCEEDINGS

### RAILWAY SAFETY ACT

#### BILL TO AMEND—REPORT OF COMMITTEE

**Hon. J. Michael Forrestall,** Deputy Chairman of the Standing Senate Committee on Transport and Communications, presented the following report:

Wednesday, March 17, 1999

The Standing Senate Committee on Transport and Communications has the honour to present its

#### ELEVENTH REPORT

Your committee to which was referred Bill C-58, An Act to amend the Railway Safety Act and to make a consequential amendment to another Act, has, in obedience to the Order of Reference of Thursday, February 11, 1999, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

J. MICHAEL FORRESTALL  
*Deputy Chair*

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the third time?

On motion of Senator Poulin, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

[Translation]

## APPROPRIATIONS BILL NO. 5, 1998-99

### FIRST READING

The **Hon. the Speaker** informed the Senate that a message had been received from the House of Commons with Bill C-73, for granting to Her Majesty certain sums of money for the public service for the financial year ending March 31, 1999.

Bill read first time.

The **Hon. the Speaker**: Honourable senators, when shall this bill be read the second time?

On motion of Senator Carstairs, bill placed on the Orders of the Day for second reading Tuesday next, March 23, 1999.

[English]

## APPROPRIATION BILL NO. 1, 1999-2000

### FIRST READING

The **Hon. the Speaker** informed the Senate that a message has been received from the House of Commons with Bill C-74, for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2000.

Bill read first time.

The **Hon. the Speaker**: Honourable senators, when shall this bill be read the second time?

On motion of Senator Carstairs, bill placed on the Orders of the Day for second reading on Tuesday next, March 23, 1999.

• (1400)

## TRANSPORTATION SAFETY

### NOTICE OF MOTION TO AUTHORIZE SPECIAL COMMITTEE TO EXTEND DATE OF FINAL REPORT

**Hon. J. Michael Forrestall**: Honourable senators, I give notice that on Thursday, March 18, 1999, I will move:

That, notwithstanding the Order of the Senate adopted on Thursday, June 18, 1998, the date for the final report of the Special Senate Committee on Transportation Safety and Security be extended to November 30, 1999.

## HEALTH

### PROTECTION OF CONSCIENCE OF HEALTH CARE GIVERS— PRESENTATION OF PETITION

**Hon. Raymond J. Perrault**: Honourable senators, I have the honour to present a petition containing approximately 150 names from various parts of Canada. This petition relates to the subject of the protection of conscience in medical procedures.

## VISITORS IN THE GALLERY

The **Hon. the Speaker**: Honourable senators, I should like to introduce to you some distinguished visitors in our gallery. They are a select committee on broadcasting of the House of Commons of the United Kingdom, led by Mr. Eric Clarke, the chairman.

On behalf of all honourable senators I wish you welcome to the Senate of Canada.

## QUESTION PERIOD

### FOREIGN AFFAIRS

#### ALLEGATIONS OF ESPIONAGE BY PEOPLE'S REPUBLIC OF CHINA ON NUCLEAR INDUSTRY—UPCOMING VISIT BY PREMIER OF CHINA—GOVERNMENT POSITION

**Hon. A. Raynell Andreychuk**: Honourable senators, I should like to return to an issue raised yesterday, that of our foreign policy with China. Recently the foreign affairs committees of both houses held a joint committee meeting with officials who were attempting to encourage Canada to have NATO look again at its defence policy, in particular with regard to nuclear weapons. As I understand it, the government is strongly supporting all initiatives for nuclear disarmament.

In the light of that policy, and in the light of our aggressive stand in NATO, I should like to return to China. A serious allegation has been made by the United States about nuclear spying by China over a consistent and persistent period of time. China has denied it. Given that China has not been exactly helpful in the efforts to achieve a comprehensive test ban treaty or in other international fora to do with nuclear weapons, what is the government's position on this latest serious allegation? When will the government's position be when the premier from China visits Canada?

**Hon. B. Alasdair Graham (Leader of the Government)**: Honourable senators, the government's position remains unchanged. It continues to support all initiatives with respect to nuclear disarmament. The government certainly will bring to the attention of our distinguished visitors from China the concern which have been raised by Senator Andreychuk and other prominent Canadians.



## HUMAN RIGHTS

### UPCOMING VISIT BY PREMIER OF CHINA—PURSUIT OF POLICY ON CONSTRUCTIVE ENGAGEMENT—GOVERNMENT POSITION

**Hon. A. Raynell Andreychuk:** Honourable senators, in *The Globe and Mail*, the Premier of China is reported to have said:

Only we know best how we can best protect and preserve human rights in China.

My understanding of our constructive engagement policy is that China would, in fact, submit to international scrutiny under the covenants and the United Nations Declaration on Human Rights and was open to dialogue and debate on China's human rights record. On that basis, Canada has entered into a constructive dialogue. In the light of the premier's most recent statement, would Canada be reconsidering its policy on constructive engagement?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, the Government of Canada, as I mentioned yesterday, is always reviewing its policy and its position with respect to our allies and the other countries around the world. The fact that spokespersons in China have said that they can best protect human rights in their own country is not something new. That statement was made, as a matter of fact, during President Clinton's visit to China and during Prime Minister Chrétien's visit to China.

The Government of Canada will continue the dialogue that is necessary with China. At the same time, we continue to assert the views which we have raised on other occasions and we continue to express our concerns with respect to human rights in that country.

## INTERNATIONAL TRADE

### EFFECT OF ACTIVITIES OF TEAM CANADA ON ECONOMIES OF TRADING PARTNERS—COST OF TRIPS TO TAXPAYERS—GOVERNMENT POSITION

**Hon. Consiglio Di Nino:** Honourable senators, I should like to thank the minister for the information which he provided yesterday in response to a question that I raised on March 2. The information dealt with the statistics on trade with those nations Team Canada — our Prime Minister, together with a number of other politicians, both federal and provincial, and officials — has visited over the last four or five years.

I wish, in particular, to discuss one of these items. I regret to see that the Chinese ambassador has left the gallery because I was hoping he would applaud my question. I will only deal with China today, although at some later date I intend to make an extensive report on this subject.

For your information, honourable senators, since the Prime Minister and his Team Canada have been travelling around the world selling Canadian exports, in 1994 we exported to China \$2.3 billion in goods; in 1998 we exported \$2.1 billion in goods, a reduction of 7 per cent.

**Senator Kinsella:** That is called "constructive engagement."

**Senator Di Nino:** I feel that this is very important. The Prime Minister and his people, however, have achieved tremendous success in creating hundreds of thousands of jobs in China. In 1994, imports from China amounted to \$3.8 billion and in 1998 they were at \$7.6 billion, an increase of 98.4 per cent.

**The Hon. the Speaker:** Honourable Senator Di Nino, the question please?

**Senator Di Nino:** Honourable senators, is it the intent of the Prime Minister and the rest of Team Canada to go to these countries to elevate their standard of living by creating jobs for them at the expense of Canadian taxpayers?

**Senator Lynch-Staunton:** Good question.

**Senator Kinsella:** Is the answer yes or no?

**Senator Di Nino:** Do you wish to give me the answer?

**Senator St. Germain:** You had better be pretty quick on this one.

**Hon. B. Alasdair Graham (Leader of the Government):** I need not look for the answer, because it is the answer I gave to Senator Di Nino yesterday with respect to a number of countries, not just China.

**Senator Di Nino:** We will deal with that some other time.

**Senator Lynch-Staunton:** One at a time.

**Senator Graham:** Count them up for me, Senator Di Nino; there must be 12 or 13 countries, the vast majority of which demonstrate an increase in Canadian imports. I am surprised Honourable Senator Di Nino was not more specific. There is no question that exports to China have declined by 7 per cent. Think what the decline would have been if the Prime Minister and Team Canada had not gone to China. They have been very successful in improving the two-way trade between our countries. The proof of that is that leading Chinese authorities and government officials are so anxious to come to Canada.

**Senator Di Nino:** Honourable senators, of course they are, because they are selling China to us. I should like to congratulate the honourable senator for skating so well on thin ice.

Could the Leader of the Government please bring to this chamber, as soon as possible, the amount paid by Canadian taxpayers for each one of the Team Canada trips? I believe that information is available, the amount which came from the federal government's coffers for all of the trips the Prime Minister has taken since 1994, by country? Can the leader provide the information today, or will he be providing it later?

**Senator Graham:** Honourable senators, I could try to provide an answer today; however, I feel it would be more useful if I delayed a little bit.

Let me go further. Of the 12 nations discussed, certainly there has been a decline in some areas. China is down by 7 per cent. However, Argentina is up by 59.8 per cent; Brazil is up by 39.6 per cent; Chile by 2.8 per cent, India by 24 per cent; Indonesia by 7.4 per cent; South Korea is down by 20.5 per cent; and Malaysia is up by 45.9 per cent.

• (1410)

**Senator Oliver:** What is the figure for the Philippines?

**Senator Graham:** Mexico is up 25.8 per cent. Pakistan is up 20.1 per cent. The Philippines is down, Senator Oliver, 4.1 per cent, and Thailand is down 30 per cent. Those are the facts. The majority of the countries that have been visited by the Prime Minister have shown a remarkable growth in terms of accepting Canada's quality export products.

**Senator Di Nino:** As a further supplementary, since the minister brought to the attention of the Senate the statistics on all of the countries, would he read the other side of the coin, the increase in imports from all of those countries with the corresponding numbers to the exports?

I think he will see, as anyone can from reading the debates of yesterday, that in every single case what we have been able to do is to increase imports from those countries a great deal more than we have increased exports to those countries. In some cases, this has been done in such an incredible manner, as with the Philippines, that we have actually gone down in exports and increased imports about 104 per cent.

I say this is fair. We want to create jobs in the Philippines. We want to elevate the Philippines to a level equal to Canada, but this is being done at the taxpayers' expense. The minister should admit that.

**Senator Graham:** This is not being done with the taxpayers' money. These countries are investing in Canada. One of the points that should be acknowledged by my honourable friend is that not only are we increasing two-way trade between these countries, but we are also promoting democracy in some countries while trying to strengthen democracy in others. That is very important for the world.

## FOREIGN AFFAIRS

UPCOMING VISIT OF YASSER ARAFAT TO OTTAWA—POSSIBILITY OF APPEARANCE BEFORE JOINT COMMITTEES OF HOUSE AND SENATE—POSITION OF CHAIRMAN OF COMMITTEE

**Hon. Marcel Prud'homme:** My question is for the Honourable Senator Stewart, chairman of the Standing Senate Committee on Foreign Affairs.

In view of the visit next week to Ottawa of Mr. Yasser Arafat, which may be for a short time, would the chairman look into the possibility of organizing a meeting of the Standing Senate Committee on Foreign Affairs and/or a joint session of the Foreign Affairs Committees of the Senate and the House of Commons in order to hear from Mr. Arafat?

**Hon. John B. Stewart:** Honourable senators, I did not hear the date for the projected visit. To have that information would be most useful in determining whether or not such a meeting would be feasible.

**Senator Prud'homme:** I do not wish to pre-empt the official announcement, but it will be while we are sitting, or when we should be sitting. If it is done, it will not be at night or on a Monday or next Friday.

**Senator Stewart:** I must follow the honourable senator in being discreet. I shall not announce what the Foreign Affairs Committee will be willing to do until we know indeed that the gentleman in question is coming to Canada.

**Senator Prud'homme:** Honourable senators, if the visit is to be Wednesday next, will the honourable senator ask his committee staff to determine the exact day and time? I am sure there would be significant interest from members of both houses.

**Senator Stewart:** I agree that such a meeting would have support from members on both sides. I shall determine what is the feasibility of planning a meeting in conjunction with the House committee. However, I do not wish to make a commitment in the hypothetical situation in which we find ourselves.

**Senator Prud'homme:** If such were the case, I am happy to say that some of us will be on standby, as happened once when, in connection with Senator Whelan, we organized one of the most successful meetings of the committees of both houses when Mr. Gorbachev appeared before us in May 1983.

I wish to give advance notice that many members would be pleased to organize themselves to attend a meeting of this nature to hear from Mr. Arafat.

## CANADIAN HERITAGE

EFFECT OF DE-REGISTRATION ON POSTAL SUBSIDY FOR RELIGIOUS PUBLICATIONS—GOVERNMENT POSITION

**Hon. Douglas Roche:** Honourable senators, the Leader of the Government in the Senate will recall that last week I raised with him the unfathomable bureaucratic ruling in the Department of Canadian Heritage that would punish many religious publications in Canada on an obscure ruling concerning the pooling of their Canadian coverage.

Since then, many Catholic bishops have come out strongly against this ruling. The *Western Catholic Reporter* says that bishops oppose the postal ruling. The *Catholic Register* of Toronto, on its front page, says that bishops are rallying behind the Catholic press.

I want to ask the Leader of the Government in the Senate why the government cannot stamp out this postal bureaucratic nightmare immediately? Does the government really want this needless issue to continue to give them a black eye on the front pages of the religious press?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, as I indicated when we last discussed this matter, the publications in question have 30 days after they are notified of the de-registration in which to appeal it. I have also raised the honourable senator's question with my cabinet colleagues. I will again, Senator Roche, bring this matter to the attention of the Minister of Canadian Heritage. At the same time, I shall bring to her attention the articles that have appeared on the front pages of the *Western Catholic Reporter* and in *The Catholic Register*.

## NATIONAL DEFENCE

### APPLICATION OF ALLOCATION FOR AIR FORCES IN BUDGET—GOVERNMENT POSITION

**Hon. J. Michael Forrestall:** Honourable senators, I have a question for the Leader of the Government in the Senate. It arises again out of an emergency situation with respect to a Sea King helicopter which, thank God, landed safely without any loss of life. I would point out to colleagues that that is the third such grounding of a Sea King helicopter so far this month, and this is only March 17.

In going through the Estimates, under the heading "Air Forces" there appears to be a discrepancy of some \$337 million. First, I ask the Leader of the Government what will happen to that money? What is it earmarked for? Why is it not allocated to a specific program? Will it be used to upgrade the F-18s? Are we planning to spend this money on assisting the Americans in the development of their new strike fighter aircraft to replace the F-16 and the F-18? What will happen to that \$337 million?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I am not aware that such a substantial amount of money as identified by Senator Forrestall is being removed from one budgetary allocation to another. I would obviously need to determine where the \$337 million is destined.

While I am on my feet, since he made reference to the Sea King incident yesterday, I conclude that it is impossible to mention any incident relating to a Labrador or Sea King as minor, but this particular incident was minor.

The Sea King in question was repaired within a few hours. It was then able to join its mother ship, *HMCS Athabaskan*, which was already en route to NATO exercises.

I should emphasize that the problem was not related to the engine difficulties experienced by the fleet last month. The air force follows a very strict maintenance and inspection regime. The problems we have seen recently are being addressed, and we will continue to do what is necessary to keep our aircraft flying safely.

**Senator Forrestall:** Honourable senators, I will not comment on that statement at all, because it is absurd. Any time a

generator on board an airborne aircraft catches fire, that is not commonplace; it is downright dangerous!

**Senator Di Nino:** It is a minor point. That is what the minister said.

**Senator Forrestall:** It is not minor. I cannot permit that.

**Senator Graham:** With respect, honourable senators, I do not believe I used the word "common."

**Senator Forrestall:** I withdraw the word "common." In any event, it is not a common occurrence, and it is downright dangerous.

I refer the government leader to page 15-4 of the National Defence Main Estimates, where he will find under a line item entitled "Air Forces" the discrepancy between \$2.5 billion and \$2.1 billion. If we subtract one number from the other, the actual difference is \$337 million. What will that money be used for?

**Senator Graham:** I cannot give a ready answer, but I would be very happy to inquire and bring forward the information.

## TREASURY BOARD

### EMPLOYMENT EQUITY IN THE PUBLIC SERVICE— LACK OF REPRESENTATION OF VISIBLE MINORITIES AT EXECUTIVE LEVEL—GOVERNMENT POSITION

**Hon. Donald H. Oliver:** Honourable senators, my question is for the Leader of the Government in the Senate. Yesterday, during Senators' Statements, I spoke of two major speeches that I will be giving outside the Senate next week in relation to employment equity in two government departments: Statistics Canada and Canadian Heritage. The honourable leader will know that I referred, as well, to the fact that visible minorities make up 5 per cent of the total public service population, but when we look at the executive level, that figure falls by 45 per cent. Less than 100 out of 3,200 people in the senior levels are visible minorities.

If you divide the total of 9,260 visible minorities in the public service by the 91 people, only 1 per cent of visible minorities hold executive-level jobs. This does not inspire confidence throughout Canada.

Can the leader tell us what the government is doing to correct this injustice?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I can assure the Honourable Senator Oliver that the government is very conscious of this discrepancy. Certainly, it is not an intentional discrepancy, and the government is most anxious to provide a proper balance. I think we can improve, and I believe that representations made on a regular basis by Senator Oliver help the situation. They remind us of a problem which is all too common — to again use that word — in our society.



I would be very happy to bring the matter to the attention of my colleagues and those responsible for hiring in the Public Service of Canada, no matter what that level might be. I have already reminded the Chairman of the Standing Committee on Internal Economy, Budgets and Administration that we should be reviewing our practices in the Senate.

**Senator Kinsella:** Bravo! Hear, hear!

**Senator Graham:** I understand that very little hiring has been done over the last five years in the Senate. However, as senators, we should be cognizant of this problem and do whatever we can, individually and collectively, to help redress the situation.

EMPLOYMENT EQUITY IN THE PUBLIC SERVICE—  
LACK OF REPRESENTATION OF VISIBLE MINORITIES IN SENATE—  
GOVERNMENT POSITION

**Hon. Donald H. Oliver:** Honourable senators, the government leader spoke of the situation in the Senate. In the Senate of Canada, only 1.2 per cent of employees are visible minorities. Does the government leader think this is adequate? Does he think it is fair and just? If his answer is "no," what will he do about it? When will we be able to see some results, and can we expect some answers to be brought forward before the new millennium in nine months' time?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, I would have thought that the Honourable Senator Oliver would have gathered from my previous response that the answer would be "no." I would not be satisfied, nor should any of us be satisfied.

To reiterate, I have already asked the Chairman of the Standing Committee on Internal Economy, Budgets and Administration to review the situation. We are all mindful that there has been very little hiring in the Senate over the last five years. As I said, we should do whatever we can, individually and collectively, to correct the situation.

NATIONAL FINANCE

CANADA CUSTOMS AND REVENUE AGENCY BILL—DIFFERENCE  
IN SPEECHES BY DEPUTY LEADER AS PUBLICISED BY  
REVENUE CANADA—POSITION OF CHAIRMAN

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** Honourable senators, my question is for the Chairman of the Standing Senate Committee on National Finance. Like Senator Austin, I am very interested in the views of the chairman of that committee. My question relates to the committee's work on Bill C-43, and a publication on the Internet by Revenue Canada concerning Bill C-43. As of March 3, it is reported on the Revenue Canada Web site, that Bill C-43 will receive Royal Assent in the spring of 1999. Is my honourable friend able to confirm that?

Second, on that same page, Revenue Canada provides a copy of a second reading speech by our colleague Senator Carstairs.

**Senator Carstairs:** Without my permission.

**Senator Kinsella:** It states that the speech was given by our honourable colleague on December 10. The Honourable Senator Carstairs will no doubt also be surprised to know that if she compares what is on the Revenue Canada Web site purporting to be her excellent speech, it is quite different from the speech one finds in our Hansard for December 10. I was wondering whether Revenue Canada knows something that the Honourable Senator Stratton and his committee does not know about Bill C-43?

**Senator Carstairs:** Or about my speech.

**Hon. Terry Stratton:** Honourable senators, obviously Revenue Canada is being presumptuous, because we have not yet finished hearing from witnesses. When we do, the committee will then have a clause-by-clause discussion of the bill before it is returned to the floor of the Senate.

I would not want to call Revenue Canada arrogant, honourable senators, because I do not think that would be appropriate. Perhaps it is a mistake on their part to make such assumptions.

Second, as to Senator Carstairs' speech, I can only suggest that we ask Senator Carstairs about that.

**Senator Kinsella:** Honourable senators, if the National Finance Committee has officials from Revenue Canada as witnesses before it, as a matter of policy could the Honourable Senator Stratton ask them on my behalf — and I am sure it will be of interest to all honourable senators — why they chose to present only one speech, which was not the excellent speech given by our honourable friend as reported in Hansard? Why did they not choose the speeches of other honourable senators who participated in that debate? What is the policy of that ministry?

**Senator Stratton:** I shall take that question to Revenue Canada officials.

**Hon. Sharon Carstairs (Deputy Leader of the Government):** By way of supplementary, honourable senators, when the Honourable Senator Stratton is asking officials that question, would he also ask them why the speech is different from the one I gave on the floor of the Senate, as well as whether they had my permission to print it?

**Senator Stratton:** Honourable senators, I will do that. With respect to questions of procedure, I will go to the department as a matter of course. I have other questions regarding Revenue Canada that I think we must ask.

In any event, I am rather amazed that Revenue Canada ended up posting on the Web site a different speech from the one given by the Deputy Leader of the Government here on the floor of the Senate.

**Senator Kinsella:** It was the one they wrote.

**Hon. Lowell Murray:** Honourable senators, could the chairman ascertain whether it is possible that the officials of Revenue Canada drafted the original speech for Senator Carstairs, and are incredulous that she would change it?

**Senator Stratton:** Honourable senators, that is possible. I will need to ask that question also.

## ENVIRONMENT

### POSSIBILITY OF SEAL CULL IN NEWFOUNDLAND WATERS— GOVERNMENT POSITION

**Hon. P. Derek Lewis:** Honourable senators, my question is directed to the Leader of the Government in the Senate. In *The Globe and Mail* of March 11 last, there is an article entitled "Ottawa proposes huge kill-off of snow geese." It is reported that the plan is to wipe out 50 per cent of that species.

In Newfoundland, we have a tremendous problem with seals. There has been an increase in the number of seals from 4 million to 6 million. These seals are credited with consuming large quantities of codfish, which is delaying the recovery of the cod fishery which is very important for our province. I believe that the provincial minister of fisheries has been requesting a cull of seal herds in order to rectify the situation.

Can the minister tell us whether this report on snow geese in *The Globe and Mail* is correct? What if any plans has the federal government to accede to the request of the provincial minister and carry out the suggested cull of seals?

**Hon. B. Alasdair Graham (Leader of the Government):** Honourable senators, it is quite a stretch from snow geese to seals. However, there is a proposed regulation with regard to snow geese. It is what might be called a measured response to a well-documented conservation problem, which will help to conserve rather than endanger the species. The story is factual in that sense. However, it would be wrong and alarmist to suggest that an immediate 50 per cent slaughter would result. At most, a 5 per cent to 10 per cent reduction is expected in the coming year, with careful future reduction until the danger the snow geese present to themselves, their Arctic habitat, and other species is mitigated.

With respect to the seal harvest, the long-term conservation and sustainability of Canadian seal herds are obviously objectives of the Canadian government. In January of this year the Minister of Fisheries and Oceans, Mr. Anderson, announced that this year's Atlantic seal harvest will pursue a prudent course, with the total allowable catch remaining at the sustainable 1998 level of 275,000 harp seals.

In the next few weeks, the Fisheries Resources Conservation Council will be holding public consultations on the results of a cod assessment, including the consequences of seal predation. They will then make a recommendation to Minister Anderson on the total allowable seal harvest for the year 2000 and beyond, and the representations by the Minister of Fisheries of Newfoundland will certainly be taken into account.

[Translation]

## DELAYED ANSWER TO ORAL QUESTION

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I have a delayed answer to a question asked on March 2, 1999 by the Honourable Fernand Roberge regarding tax relief for professional hockey and baseball teams.

## NATIONAL FINANCE

### TAX RELIEF FOR PROFESSIONAL HOCKEY AND BASEBALL TEAMS—GOVERNMENT POSITION

(Response to question raised by Hon. Fernand Roberge on March 2, 1999)

The Prime Minister has indicated that it is not currently the policy of the Government of Canada to prop up ailing professional sports teams.

The affairs of the Montreal Expos are the internal workings of a business organization, and it is on that basis they are dealing with their problems.

[English]

## ORDERS OF THE DAY

### THE ESTIMATES, 1998-99

#### REPORT OF NATIONAL FINANCE COMMITTEE ON SUPPLEMENTARY ESTIMATES (C) ADOPTED

The Senate proceeded to consideration of the tenth report of the Standing Senate Committee on National Finance (Supplementary Estimates (C) 1998-99), presented in the Senate on March 16, 1999.

**Hon. Terry Stratton** moved the adoption of the report.

He said: Honourable senators, the Main Estimates for the current fiscal year 1998-99 were first tabled in the Senate on March 18, 1998 and referred to the Standing Senate Committee on National Finance, which reviewed them on March 25, 1998. Supplementary Estimates (A) were submitted On June 15. Supplementary Estimates (B) were submitted on December 3. Yesterday, Supplementary Estimates (C) were submitted, for which we are asking approval as well today.

In addition to the Main Estimates and the Supplementary Estimates, the Finance Committee also examines issues that are not normally dealt with by parliaments in other jurisdictions. This year, the committee did a special study of retention and compensation issues in the public service because of concerns expressed in the media about a so-called quiet crisis that was taking place.

Honourable senators, the Main Estimates provide for planned expenditures of \$145.5 billion. Supplementary Estimates (A) required an additional \$1.3 billion. Supplementary Estimates (B) sought approval for an additional \$5.3 billion, and Supplementary Estimates (C) are requesting another \$1.5 billion, for a total of \$8 billion over and above the Main Estimates of \$145.5 billion. That is a total of \$153.5 billion for the current fiscal year.

In its examination of Supplementary Estimates (C), members of the committee on both sides expressed concern about the overall accuracy of the initial Main Estimates. In its report on Supplementary Estimates (C), the committee said:

Your committee has suggested that the Treasury Board officials prepare a document that would allow members to review the difference between the Main Estimates at the beginning of a given fiscal period and the Main Estimates after the Supplementary Estimates have been approved. There is concern in the committee that spending may be rising and that the current system does not allow Parliamentarians to properly assess the direction of federal spending plans.

We would like to be able to compare the Main Estimates before and after the receipt of each of Supplementary Estimates (A), (B) and (C). We feel we should do that, not only for the current fiscal year but for a couple of previous years to see where we are going when we look at Main Estimates followed by Supplementary Estimates. There is cause for concern when we end up with \$8 billion in Supplementary Estimates above Main Estimates.

• (1440)

We then considered Y2K preparation because it has been an ongoing discussion with regard to the Main Estimates and the Supplementary Estimates over the course of the year. The Y2K work is about 84 per cent complete. The estimated cost to achieve Y2K compliance is \$2 billion.

Honourable senators, our concern was that we have to be more careful in the examination of the Estimates. We recognize that in certain departments of government funds were expended for buyouts and early retirement. Salaries had been frozen for six years, which necessitated adjustments thereto. That was of concern in this current fiscal year. In spite of all this, the message the Standing Senate Committee on National Finance wants to deliver concerning this current fiscal year is that the supplementary cost of \$8 billion is very high. That is a figure of which we should all be aware. Hopefully, we can tighten things up in the next fiscal year.

**Hon. Jack Austin:** Honourable senators, yesterday I gave Senator Stratton notice of a question I would ask him today.

**Senator Lynch-Staunton:** That was very considerate.

**Senator Austin:** I look forward eagerly to his answer.

Honourable senators, I was a member of the public service from 1970 to 1974. I participated in many sessions relating to recruitment, training and advancement, including issues relating to merit pay, language skills, bonuses and even gender recruitment. These are all issues of incredible importance to the well-being of this country. A public service that is well trained and that understands the nature of its duties, in particular its role as a professional and non-partisan public service, is at the heart of the effective working of this country.

It is clear that over a number of years — and I mean to make no partisan reference here — circumstances have brought the public service to a less effective level of performance. Some of these circumstances are certainly external to government. Certainly, since the middle of the 1980s, we have seen an enormous tide of economic change and enhancement in Canada and in some other countries. We have seen salary levels and the attractiveness of work in the private sector develop to the disadvantage of the attractiveness of the public service. Some 25 years ago, public service pay was alleged to have been in advance of the private sector's pay scales. Today, it is certainly well behind those pay scales.

The governments of Canada over the last decade or so have exercised spending restraint programs. One can remember the famous efforts of Erik Nielsen, for example, and many other similar measures to look at public spending in the meantime, right up to the efforts of Marcel Massé, who is the President of the Treasury Board in this government. The degree of those efforts can be debated, but not their objective.

Today, in this country, while government debt is high, the deficit has been dealt with and some surplus is available. In my view, a major effort has to be undertaken to provide an opportunity for Canadians to serve in a professional, non-partisan public service without sacrificing the well-being and the comfort of their families to a goal of "nobility without adequate pay." As well, I would suggest, we need to deal with the cultural issue. That is to say we must consider the pendulum effect. The healthy balance between public power and private power has, perhaps, gone as far toward private power in our healthy democracy as it should go. I believe it is time to swing the pendulum toward a government service of which we can be truly proud.

That means, honourable senators, that young Canadians have to see a career in the federal government or in the provincial governments which is truly attractive to their aspirations to be creative and to make a contribution. The reward must be compensable.

Honourable senators, the Standing Senate Committee on National Finance has done extremely well to draw this issue to our attention. However, their words are few, and the direction of their views requires explanation. If Senator Stratton's explanation runs in the direction of my comments, then the support and the further action of this chamber will be required.



**Senator Stratton:** Honourable senators, that was a very eloquent speech, in the form of a question. I agree completely with the honourable senator's statements. I suppose that is the price and the tragedy of having to go through the 1990s. Almost everything mentioned by the honourable senator is in our report. The concern, of course, as set out on page 11 of the report, is that vast numbers — approximately 70 per cent — of those in the junior levels are approaching retirement. Some 90 per cent of senior level executives are eligible for retirement in 2005. When we see numbers such as those, it is rather disturbing.

There are magic formulas which govern retirement. I believe 85 is one of the magic numbers. That equates to 30 years of service and age 55, which means a person can leave with full pension.

In terms of the demographics in the civil service, there has been a hiring freeze, more or less.

• (1450)

While we are able to ask for applications, and do indeed receive many applications every year for work in the civil service, the government only hires a very few. As a result, the youngsters come to the civil service and they work.

Unfortunately, once they gain experience, they tend to leave, and they leave for two reasons: One, the compensation is much higher in the private sector, and, two, the way in which Canadians view the civil service. We as politicians and the media have done that job. We have no one to blame but ourselves. When you denigrate the institution over a period of time, then you have consequences, and I think those consequences are now being brought to bear.

As a result of very little hiring, the civil service is quite mature. The average age now is, I believe, 46. That is a significant problem. However, the government, through Minister Marcel Massé, has started a program called *La Relève*, which I think is quite commendable. It will take time to have an impact because the government does indeed recognize the problem.

We are concerned when, out of necessity, raises are given that are substantially higher at the senior level, meaning 20 per cent or more, including to pilots in the armed forces. The average salary increase in Canada last year was 3.8 per cent, and the government gives 2.5 per cent retroactive to last August for this year and 2 per cent and 2 per cent for the next two years. When the average civil servants sees that the people at senior levels got 20 per cent, when the average Canadian got 3.8 per cent and they are at 2 per cent, that is a problem, and it is causing a continuation of the morale problem. Out of necessity, the government had to make those increases at the higher end, but nevertheless it has consequences.

We cannot just ignore the problem. We must rebuild faith.

Honourable senators, I have gone on too long.

**The Hon. the Speaker:** Yes, the honourable senator's time has expired.

It was moved by the Honourable Senator Stratton, seconded by the Honourable Senator Oliver, that this report be adopted now. Is it your pleasure, honourable senators, to adopt the motion?

**Hon. Senators:** Agreed.

Motion agreed to and report adopted.

## THE ESTIMATES 1998-99

### REPORT OF NATIONAL FINANCE COMMITTEE ON MAIN ESTIMATES ADOPTED

The Senate proceeded to consideration of the eleventh report of the Standing Senate Committee on National Finance, which deals with the Main Estimates, presented on March 16, 1999.

**Hon. Terry Stratton** moved the adoption of the report.

He said: Honourable senators, I will not take much of the chamber's time because, in essence, what we have been talking about is, in reality, in answer to the question that was posed to me. However, on Supplementary Estimates C, I did want to talk about what the committee does.

The interesting thing about the Standing Senate Committee on National Finance is that it can go into any department that spends any money and, if we find something that should be examined, as for example retention and compensation in the civil service, we can examine it.

I am from the Red River Valley in Manitoba. After experiencing the 1997 flood in that region, I found that while Canadians react to disasters very well, they do not prepare for them very well. We react superbly, as a matter of fact, but we do not prepare well.

Considering the consequence of the 1997 flood, the flood in the Saguenay in Quebec and the ice storm, this is another area that we feel warrants study by the committee, so we are embarking on that study.

Honourable senators, I must tell you that the chairman has been getting his own way for too long. I appreciate the cooperation on the part of the members of the committee because it allowed me to ask for and pursue this particular study on disaster.

As well, however, in its next study, the committee would like to examine the granting and subsidy activities at CIDA, about which it has some concerns. The committee would also like to take a further look at that agency as a whole in the future, by way of a study.

Honourable senators, in response to Senator Austin's question and in my statement on the Main Estimates, I believe I have elaborated upon what the Supplementary Estimates (C) are all about with one exception, and perhaps I can add to Senator Austin's query. When it was necessary to downsize the public service, it had to be done. There had to be early buyouts. However, that program cost the government \$4 billion. I think it is \$3.7 billion currently, and is projected to be \$4 billion upon completion.

What is interesting is that there has been a cost recovery, over three years, that has paid for that cost of \$4 billion. Therefore, on the monetary side, that is looked after. However, on the human resources side, we have had the leave-taking of a great number of very experienced, credible people. They are no longer in the civil service, and we now must deal with retaining the good people who are left in the service, and enhance the public service further by bringing on board good, qualified young people, and good, qualified, experienced people.

**The Hon. the Speaker:** Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and report adopted.

## THE BUDGET 1999

STATEMENT OF MINISTER OF FINANCE—INQUIRY—  
DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Lynch-Staunton calling the attention of the Senate to the Budget presented by the Minister of Finance in the House of Commons on February 16, 1999.—(*Honourable Senator Graham, P.C.*).

**Hon. David Tkachuk:** I should like to begin this inquiry by referring to the February issue of *Maclean's* magazine and a story about a gentleman by the name of Tim Paquette. The story was entitled "Future Shock: Grand Ambitions," and it talks about the budget of Paul Martin. Tim Paquette is 36 years old, married with two children, living in Roxboro, Quebec, who has his own company. He manufactures laser cartridges. He stated that the more he made, the less he made; that taxes are taking their toll. Because the rate is so high, he was working 70 hours a week, sometimes 80, just to make ends meet and to put a little bit of money in the bank.

• (1500)

Canadians feel poorer, and in fact are poorer, according to the Royal Bank of Canada. The Royal Bank calculates that real disposable income per person dropped to \$16,332.17 in 1998, down from \$17,292 in 1990.

While the Minister of Finance discussed tax policy in his current 1999-2000 budget, he did as we often do — he reduced it to statistical terms rather than human terms: Will tax reductions create jobs? How many jobs will be created? Will government be able to meet its billions of dollars in obligations? We argue about these issues.

Revenue Canada has even published a book entitled "Tax Expenditures" which tries to claim that, when you cut a tax, there

is a cost to the government. It is rather a reverse way of saying, "The money belongs to us and not to the individuals in society." In fact, tax cuts have never really cost the government anything because in almost every case where it has been tried in North America, tax cuts have actually increased government revenue.

Canadians face an onerous tax burden that is having an effect on our ability to create wealth as a nation. Savings are at an all-time low. Businesses are leaving the country and, most important of all, our most talented citizens are crossing the border.

Ayn Rand in her book *Atlas Shrugged* postulated the idea of a strike by entrepreneurs and technicians and society's creative and technical people because of the government's pursuit of egalitarianism. We see today an exodus of these people. No nation can survive for long the loss of its best and its brightest. They are the ones who will produce the future wealth of the country.

At home, our creative people are generating an underground economy, estimated in 1992 at some \$688.5 million of our gross domestic product. I am sure that today the number is much higher. These ordinary men and women, overburdened by taxation, are finding new ways to abandon the system.

In government we hire thousands of people to find them, to prosecute them and to punish them. As a matter of fact, last year, Southam News in a poll reported that 28 per cent of all adult Canadians admitted to buying items under the table to avoid paying the sales tax. Multiply that by the \$574 per year that each of the tax-dodgers estimate they save in the nudge-and-wink transactions and it adds up to \$1.5 billion. The shocking part is that it is not surprising and that 28 per cent of the people are involved. I do not believe that 28 per cent of citizens are prepared to try to beat the tax system, but our actions as parliamentarians and as governments force people to cheat the tax system.

Few Canadians would argue that citizenship requires a fair share of a person's income to do the state's business. More and more Canadians are questioning the value they receive. We as parliamentarians must listen to these people.

This report brags that the government will hire 1,000 more auditors. The department now has 1,200 staff working full time on catching tax evaders. Instead of looking at why people are avoiding the tax system, we are just hiring more auditors to catch them, prosecute them and punish them.

In Canada we tax people, organizations and commodities. Governments exist, I believe, because history has shown that stable and orderly environments are conducive to releasing the powerful creative forces that generate wealth. This is not a very complicated supposition.



It was fitting that, in 1917, the then minister of finance, in introducing the first income tax on individuals, stressed that it was a temporary tax and "a conscription of wealth." It turned out not to be temporary but it was aptly named "a conscription of wealth."

In effect, when governments tax individuals by income tax, they are taxing property. Wealth generated by labour, creativity, inventiveness and business acumen is not the property of the state, although we treat it as such — or should I say that Liberals and socialists treat it that way. The proof is in progressive taxation. It is their way of financially "dumbing down" our population: We take more from you than we do from another because you earn more. In other words, we confiscate it. With a progressive tax, we are saying that you should not only pay more — because in a fair tax system, you would pay more. In fact, 20 per cent of \$200,000 is \$40,000 — and less for someone who earns less — \$20,000 for \$100,000 or \$10,000 for \$50,000.

However, that is not what we do. We tax incomes in a way that is a direct attack on our freedom, for while the country has many rules in common law to protect the property that we already own, it has few laws to protect the means to accumulate that property. The government has taken advantage of this situation and seizes cash generated by the hard work of entrepreneurs who risk, and government benefits from that risk. This attack on our pocketbooks is an attack on our freedoms. Burdensome taxes make people more dependent on the state. It is a vicious cycle. Charities depend on tax credits for donations. Do honourable senators know why? It is because there is no money to donate after the government is through with the general population. Now they must depend on tax credits, rather than on the generosity of people. You give money to a charity because the government will give you money back, not because you want to help that charity.

People look to the Canadian government for pensions and tax breaks to accumulate pensions. Why? Because, without them, ordinary Canadians could not afford to contribute to a pension plan. If they did not have tax breaks, if they did not have RRSPs, people would not have money to put into a pension plan, not only if they were self-employed but even if they were working for someone else. Governments pay people life insurance, pay their burial costs, their disability income, not as insurance but in the way of taxes.

Risk is so little rewarded in Canada, and we are a mature country. At least, we call ourselves a mature country. Think about this: The government pays for the majority of television programs and films made in Canada. It pays for the TV programs we watch and the films that we make. Individuals do not pay; governments pay.

Our democracy, it seems, only gives people a right to vote. It does not guarantee our freedoms. Laws, institutions, both spiritual and state, a fair system of justice, a free and responsible press, and most of all, economic freedom and prosperity will free you from dependence on the government. The burdensome tax system creates anger and resentment. We can see that in Canada

today. The major goal of government is to increase peoples' opportunities for prosperity, not to redistribute income.

According to Statistics Canada, the average Canadian family earns \$57,665 a year. It pays \$28,773 in various taxes. That is, 50 per cent. If you are in the top income bracket, you are paying 75 per cent of your income in some form of tax or another, or else you are moving your money out of the country.

• (1510)

Income tax payable, on the average throughout Canada, will cause you to pay at least 45.5 per cent of between \$29,000 and \$59,000. These are middle-class Canadians, not wealthy Canadians. We, as individuals, pay income taxes, pension taxes, workers' compensation taxes, unemployment taxes, and taxes on investments. We pay taxes on commodities by way of the GST and the PST. There are environmental taxes on bottles, cans and cartons — known in my province as a food tax. You pay entertainment taxes when you go to see the Ottawa Senators. There are taxes on gasoline — in my province of 15 cents a litre, plus GST and PST. The government spent \$250 million on highways, and they take in \$350 million in gas taxes, which is \$100 million extra in taxes.

There are taxes on airplane tickets, tolls on highways and tolls at airports. There are tolls on parks, tolls to sleep in parks, tolls to eat in parks, and tolls to park in parks.

The government then trolls the underground economy, finding other things to tax such as drugs, tobacco, alcohol, taxes on gambling, lottery tickets, casinos. What Mafia lords were sent to jail for in the past, governments profit from today by tax and monopoly ownership. That is the truth. We should decriminalize marijuana but not make it legal, because it will be much cheaper to get it from the street and pay a fine if you get caught than to allow the government to tax it.

Businesses pay capital tax, income taxes, and then the same money is taxed again as it enters an individual's hands as dividends. They pay licence fees to liquor boards, manufacturing taxes, consumption taxes, provincial taxes, gaming fees, commercial licences and, along with individuals, they pay taxes on property and schools. There is a fee to fish, to hunt, to own a gun, and the government is still trolling, thinking about carbon taxes, taxes on film rentals, taxes on empty video cassettes — a special tax, that is, on top of the PST and GST that you now pay. Businesses pay workers' compensation, such as CPP, EI, payroll taxes. No matter how we dress them up for the financial ball, those are simply taxes.

How did this happen? Many will argue that payroll taxes are not income taxes, they are insurance. We are always hearing that. Let us look at the only two federal examples. Income tax was a temporary tax, to pay for the war. Then there were the payroll taxes — Canada Pension Plan and Employment Insurance. These two taxes show how the government can always find another reason to spend your money. There is always a Liberal or a socialist who wishes to use other peoples' money to cleanse the ills of society, rather than his or her own.



During the time when baby boomers, the largest of the tax groups, were young, and the federal government was collecting vast sums of money in payroll taxes over and above what they were paying out, money was lent to provincial governments at favourable interest rates. Today, we are decrying the fact that soon those funds will run out. The very people who started paying at the youngest age in 1967 are the ones being told today, "We are sorry, but by the time you retire, we will be running out of money."

Unemployment insurance has been renamed employment insurance, which is such a misnomer: When you are unemployed, you get employment insurance. Although the Liberals, in their first budget speech in 1994, said that the premiums were a tax on jobs, today they accumulate a surplus of \$5 billion a year and say that they will use the money to decrease other taxes.

This year's budget initiated the end of the 3 per cent federal surtax, some \$1.5 billion. That is substantially less than the \$5 billion they were accumulating this year from EI premiums. There is a great amount of irony about this 3 per cent surtax because they are doing what they previously said was unfair: Workers and companies are paying, in effect, a surtax.

**The Hon. the Speaker:** Honourable Senator Tkachuk, I hesitate to interrupt you. However, your speaking time has expired. Are you requesting leave to continue?

**Senator Tkachuk:** Yes.

**The Hon. the Speaker:** Is leave granted?

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, under most circumstances, I would be delighted to grant leave. However, we have committees that are scheduled to sit, and we normally rise at 3:15 p.m. on Wednesdays to allow that to happen.

If Senator Tkachuk can assure us that he will only take a further few minutes, I would be prepared to grant leave. However, if he intends to continue for another 15 minutes, I am afraid I cannot do that.

**Senator Tkachuk:** I assure you it would be 10 minutes. However, since I am asking for leave, it will be just another few minutes.

**Hon. John B. Stewart:** Honourable senators, there is another consideration, and that is that honourable senators need clarification of some of the things which Senator Tkachuk has said, and the debate could go on for another hour.

**Senator Tkachuk:** I will adjourn the debate, then, and take it up tomorrow.

**The Hon. the Speaker:** It is perfectly proper for you to adjourn the debate if you wish, Senator Tkachuk.

**Senator Tkachuk:** If that is the case, then I will do that.

On motion of Senator Tkachuk, debate adjourned.

## BUSINESS OF THE SENATE

**Hon. Sharon Carstairs (Deputy Leader of the Government):** Honourable senators, I believe there is a will in the chamber to adjourn all other items. However, they must remain in the order in which they are today. If that is in agreement on both sides, then I believe we can move to the adjournment motion.

**The Hon. the Speaker:** Is it agreed, honourable senators?

**Some Hon. Senators:** Yes.

**Some Hon. Senators:** No.

**Hon. Douglas Roche:** No.

**The Hon. the Speaker:** We will then be required to go through the Order Paper.

## SECURITY INCIDENT AT VANCOUVER APEC CONFERENCE

### MOTION TO ESTABLISH SPECIAL COMMITTEE— DEBATE ADJOURNED

**Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition):** pursuant to notice of December 10, 1998, moved:

That a Special Committee of the Senate be appointed to examine and report upon the conduct of the Prime Minister, the Prime Minister's Office, the Minister of Foreign Affairs, the Solicitor General and the Privy Council Office in the security arrangements for the Asia-Pacific Economic Cooperation Conference held in Vancouver in November 1997, and any issues subsequently arising therefrom. In particular, the allegations that political motivations rather than security considerations were used unlawfully which resulted in the violation of the constitutional right to freedom of expression, freedom assembly and freedom of association of certain Canadian citizens and the suppression of legitimate protest.

That seven Senators, nominated by the Committee of Selection act as members of the special committee, and that three members constitute a quorum;

That the committee have power to send for persons, papers and records, to examine witnesses under oath, to report from time to time and to print such papers and evidence from day to day as may be ordered by the committee;

That the committee have power to authorize television and radio broadcasting, as it deems appropriate, of any or all of its proceedings;

That the committee have the power to engage the services of such counsel and other professional, technical, clerical and other personnel as may be necessary for the purposes of its examination;

That the political parties represented on the special committee be granted allocations for expert assistance with the work of the committee;

That it be empowered to adjourn from place to place within and outside Canada;

That the committee have the power to sit during sittings and adjournments of the Senate;

That the committee submit its report not later than one year from the date of it being constituted, provided that if the Senate is not sitting, the report shall be deemed submitted on the day such report is deposited with the Clerk of the Senate.

On motion of Senator Kinsella, debate adjourned.

## REVIEW OF NUCLEAR WEAPONS POLICIES

### NOTICE OF MOTION—DEBATE ADJOURNED

**Hon. Douglas Roche**, pursuant to notice of March 16, 1999, moved:

That the Senate recommend that the Government of Canada urge NATO to begin a review of its nuclear weapons policies at the Summit Meeting of NATO April 23-25, 1999.

He said: Honourable senators, I am in a difficult position because it is evident that the deputy leader wishes to adjourn the

house. I do not wish to be uncooperative, and I am willing to stand down now; however, I make the point that yesterday I gave notice that I would debate this today. I said very clearly that I wished to debate this matter today. I was not informed that the Senate would be adjourning at this hour.

**Hon. Sharon Carstairs (Deputy Leader of the Government):** The Senate always adjourns at this hour on Wednesdays.

**Senator Kinsella:** It happens very often.

**Senator Roche:** Honourable senators, it would perhaps be an error on my part to proceed now. However, I wish to make the point that independent senators should be consulted about the business of the Senate, particularly when we have items which we are prepared to debate, and have given notice that we wish to debate them.

If it is in order, I will stand down now, and bring this motion forward next Tuesday, March 23.

**The Hon. the Speaker:** Honourable senators, the proper course of action would be to have the Honourable Senator Roche adjourn the debate. Then it will stand in his name when it next appears on the Order Paper.

**Senator Roche:** That being the case, I will adjourn the debate.

**Senator Carstairs:** Honourable senators, I wish to remind all senators that the Senate always rises at 3:15 p.m. on Wednesdays. That has been the tradition for some years.

On motion of Senator Roche, debate adjourned.

The Senate adjourned until tomorrow at 2 p.m.

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